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SEPTEMBER/OCTOBER 1996

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Postmodern Terrorism

WALTER LAQUEUR

Why Yeltsin Won

DANIEL TREISMAN

Middle East Stasis

RICHARD HAASS

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Fixing the U.N.

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Can 'Europe' Be Saved?

Two Views

GEORGE SOROS
RUDI DORNBUSCH

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VOLUME 75, NUMBER 5

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The United Nations has usurped power from its members, threatening American interests. The time has come to deliver an ultimatum: Either the United Nations reforms quickly and dramatically or the United States will end its participation.

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Meet the terrorist of the future: less ideological, more likely to harbor ethnic grievances, perhaps fired by apocalpytic visions, harder to distinguish from others outside the law. He (or she) is armed with new weapons and experimenting with others, and using them more indiscriminately. Terrorism is by no means the only option now; a political wing can openly raise funds, run schools, and contest elections. The loner with a grudge has turned to terror, and may be the computer hacker next door. At the other end of the scale, state-sponsored terrorism takes the place of warfare. The destructive power of terrorism is on the rise, and the most advanced societies are the most vulnerable.

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China may be the high church of realpolitik in the post–Cold War world. Its military and civilian elites regard other nations, alliances, and internationalism of any stripe with suspicion. There are only two exceptions. Realpolitik would suggest that any rift between the United States and Japan is good for China. But China fears the remilitarization of Japan more than it dislikes American forces (which maintain the status quo in East Asia). And with Taiwan, China is willing to risk a major confrontation over even a nominal change in the island's status. With a huge stake in the region, America should figure these realities into its strategy.

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Comments

Unless there is bold reform, the next U.N. secretary-general could—and should—be the last.

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Saving the U.N.

A Challenge to the Next Secretary-General

Jesse Helms

Not long ago, while accompanying U.N. Ambassador Madeleine Albright to an appearance in North Carolina, I was asked by a reporter whether the United States should withdraw from the United Nations. It was a valid question, to which I responded, "Not yet."

As it currently operates, the United Nations does not deserve continued American support. Its bureaucracy is proliferating, its costs are spiraling, and its mission is constantly expanding beyond its mandate—and beyond its capabilities. Worse, with the steady growth in the size and scope of its activities, the United Nations is being transformed from an institution of sovereign nations into a quasi-sovereign entity in itself. That transformation represents an obvious threat to U.S. national interests. Worst of all, it is a transformation that is being funded principally by American taxpayers. The United States contributes more than $3.5 billion every year to the U.N. system as a whole, making it the most generous benefactor of this power-hungry and dysfunctional organization.[1]

This situation is untenable. The United Nations needs to be radically overhauled. Yet Secretary-General Boutros Boutros-Ghali has ignored multiple warnings and stubbornly resisted reform that gets down to fundamentals. On the contrary, Boutros-Ghali has pursued a well-publicized campaign of what he calls U.N. "empowerment." He has protected the bloated bureaucracy, and the number and nature of peacekeeping operations has vastly expanded under his tenure. He has pressed for the establishment of a standing U.N. army and the power to collect direct U.N. taxes.

Now, with U.N. "empowerment" as his platform, Boutros-Ghali has reversed his pledge to serve a single term and is seeking a second one. The Clinton administration has belatedly announced its opposition but has failed to nominate or even search for a replacement, just as it has been complacent in the face of his presumptions to power.

Rather than Boutros-Ghali's "empowerment," the United Nations needs a stark reassessment of its mission and its man-

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Senator Jesse Helms (R-N.C.) is Chairman of the U.S. Senate Committee on Foreign Relations.

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date. The next secretary-general must help develop a bold plan to cut back the overgrown bureaucracy and limit its activities, then muster the political will and leadership to implement it. The reformist zeal of the next secretary-general will in all likelihood determine whether or not the United Nations survives into the next century. For if such a plan is not put forward and implemented, the next U.N. secretary-general could—and should—be the last.

BACK TO BASICS

The United Nations was originally created to help nation-states facilitate the peaceful resolution of international disputes. However, the United Nations has moved from facilitating diplomacy among nation-states to supplanting them altogether. The international elites running the United Nations look at the idea of the nation-state with disdain; they consider it a discredited notion of the past that has been superseded by the idea of the United Nations. In their view, the interests of nation-states are parochial and should give way to global interests. Nation-states, they believe, should recognize the primacy of these global interests and accede to the United Nations' sovereignty to pursue them.

Boutros-Ghali has said as much. In his 1992 *Agenda for Peace*, he declared his view that the sovereignty of nations is an outdated concept: "The time of absolute and exclusive sovereignty . . . has passed. Its theory was never matched by reality. It is the task of leaders of states to understand this." In other words, U.N. member nations, including the United States, should be willing to abandon claims of "absolute and exclusive sovereignty" and empower the United Nations by ceding it a measure of their sovereignty. They should give the secretary-general a standing army and the power to collect taxes—functions that legitimately rest only with sovereign states.

Such thinking is in step with the nearly global movement toward greater centralization of political power in the hands of elites at the expense of individuals and their local representatives. In the United States, Europe, and elsewhere, political leaders are belatedly recognizing the destructive effects of central bureaucracies and state-controlled economic activities and are fighting uphill battles to bring these into check. They are finding, however, that once established, bureaucracies (along with the goodies they dispense) are nearly impossible to dismantle. As the millennium approaches, this virus of centralization is spreading to the global level, and the United Nations is its carrier. Just as massive bureaucracies have taken hold in Europe and the United States, the U.N. bureaucracy has established a foothold on the international stage.

This process must be stopped. In the United States, Congress has begun a

[1]There is no single entry in the U.S. budget for contributions to the United Nations. Ambassador Charles Lichenstein, a former U.S. representative to the United Nations, has calculated the $3.5 billion figure thus: the U.S. share of the U.N. administrative budget, $298 million; the U.S. share of the U.N. peacekeeping budget, $1.2 billion; U.S. contributions to all U.N. specialized agencies, $368 million, excluding capital contributions to the World Bank and the International Monetary Fund; the value of goods and services the United States voluntarily contributes toward U.N. peacekeeping and the U.N. system as a whole, $1.7 billion to $2.0 billion. In recent years Congress has withheld a fraction of this amount as pressure for U.N. reform.

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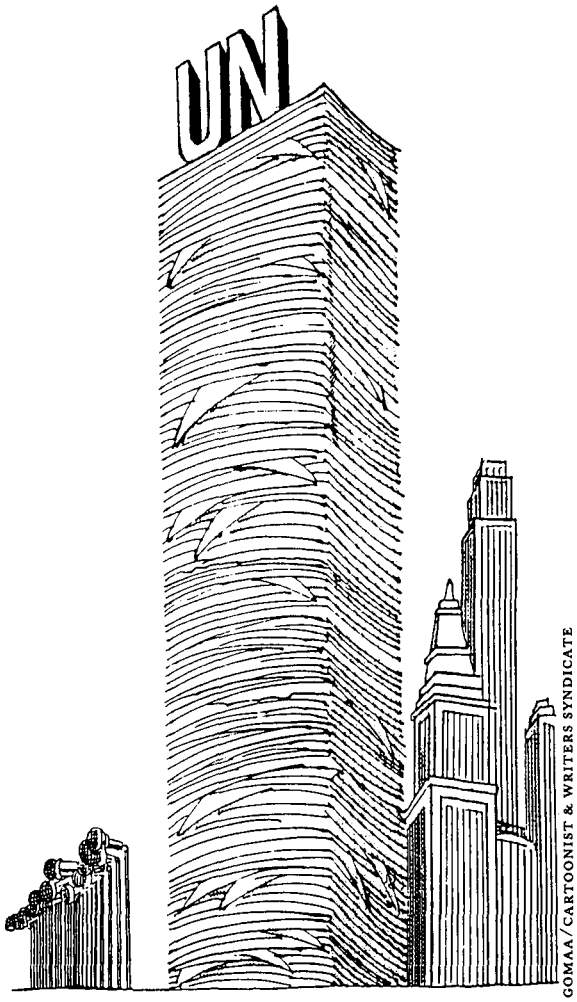
process of devolution, taking power away from the federal government and returning it to the states. This must be replicated at the international level. Reining in the U.N. bureaucracy goes hand in hand with Congress' domestic agenda of devolution. U.N. reform is about much more than saving money. It is about preventing unelected bureaucrats from acquiring ever-greater powers at the expense of elected national leaders. It is about restoring the legitimacy of the nation-state.



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THE BIG PICTURE

How big is the problem? According to the latest official U.N. statistics, the organization is home to 53,744 bureaucrats, comprising the Secretariat bureaucracy and those of the diverse specialized agencies. Hard as it is to believe, some advocates of the United Nations argue that it is not big enough. In his book *Divided It Stands: Can the United Nations Work?* James Holtje writes that "when one considers that . . . [the United Nations is] expected to meet the needs of 5.5 billion people worldwide, the number begins to look small." It is not the job of the United Nations to "meet the needs" of 5.5 billion people—that is the job of nation-states.

But the U.N. bureaucracy mistakenly believes that caring for the needs of all the world's people is exactly its job. From the bureaucracy's vantage point, there are no international, national, or even local problems—all problems are U.N. problems. Thus we have the recent Habitat II conference in Istanbul, where the United Nations spent millions of dollars to address the concerns of cities—an issue that legitimately should be handled by local or national governments.

So what is wrong with the United Nations lending a helping hand on these matters? The issue is not just sticking the U.N.'s nose where it does not belong. By making every problem its problem, the United Nations often makes the situation worse. Instead of helping nation-states solve problems, the United Nations does the exact opposite—it creates a disincentive for states to handle problems that are their responsibility to resolve. When every local or regional problem becomes a global one, the buck stops nowhere. Solving it becomes

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everyone's responsibility, and thus no one's responsibility.

The war in Bosnia is a perfect example. Dealing with Serbia's illegal aggression and genocide in Bosnia was the responsibility of the European powers, in whose region the crisis lay, and of the United States, which considers itself a European power. But instead of addressing the issue themselves, the Clinton administration and our European allies pushed responsibility for handling this problem onto the United Nations, which accepted a mission it was incapable of fulfilling. The U.N. peacekeeping operation became an excuse for inaction by the Europeans and Americans, who used the United Nations to pretend they were addressing the problem. As a result, thousands upon thousands of innocent civilians died, while the United Nations, through a combination of impotence and negligence, did nothing to stop the genocide.

The United Nations also complicates matters by giving states with no interest in a particular problem an excuse to meddle without putting anything concrete on the table. Countries that have no natural interest in an issue suddenly want to get involved, and the United Nations gives them the legitimacy to do so without cash or constructive contributions. What, for example, are countries like Togo, Zaire, Panama, or Ireland, or China for that matter, prepared to contribute to bringing about Middle East peace? They have no legitimate role in the peace process, save that which their U.N. membership (and in some cases seats on the Security Council) gives them. What the United Nations ends up doing is giving lots of countries a seat at the table who bring nothing to the table.

By making every issue a global issue, the United Nations is attempting to create a world that does not exist. A United Nations that can recognize its limitations—helping sovereign states work together where appropriate and staying out of issues where it has no legitimate role—is worth keeping; a United Nations that insists on imposing its utopian vision on states begs for dismantlement.

GOALS OF REFORM

Successful reform would achieve the twin goals of arresting U.N. encroachment on the sovereignty of nation-states while harnessing a dramatically downsized United Nations to help sovereign nations cope with some cross-border problems. Such reform must begin by replacing Boutros Boutros-Ghali with a new secretary-general who will go in on day one with a daring agenda to reduce bureaucracy, limit missions, and refine objectives.

Second, there must be at least a 50 percent cut in the entire U.N. bureaucracy. The Clinton administration has made the standard of reform a "zero-growth" budget. This is inadequate. So long as this bureaucracy remains in place, it will continue to find new missions to justify its existence.

Third, there must be a termination of unnecessary committees and conferences. Since its founding as an organization of five organs in 1945, literally hundreds of U.N. agencies, commissions, committees, and subcommittees have proliferated. Today, for example, the United Nations includes a Committee on Peaceful Uses of Outer Space, which counts among its crowning achievements the passage of a resolution calling upon sovereign nations to report all contacts with extraterrestrial beings directly to the secretary-general.

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In addition to massive, wasteful conferences like the Beijing women's summit and Habitat II, the United Nations continually sponsors workshops, expert consultations, technical consultations, and panel discussions, last year some 7,000 in Geneva alone. Most of these can be terminated at a savings of millions of dollars.

Fourth, the U.N. budgeting process must be radically overhauled. Budgets for U.N. voluntary organizations are currently amassed through a bidding process, where nation-states must make capital investments prior to involvement in specific issues or projects under U.N. auspices. This should be the model for the entire U.N. budgeting system. The secretary-general currently has a budget of roughly $1 billion to pay for the activities of the Security Council, General Assembly, Economic and Social Council, Secretariat, and International Court of Justice, plus the administrative costs of numerous relief, development, and humanitarian agencies. This budget is voted on by the General Assembly, where the United States has no veto, and where every nation—whether democratic or dictatorial, no matter how much or how little it contributes to the United Nations—has an equal vote.

This system should be abolished. Instead, the secretary-general should be limited to a bare-bones budget of some $250 million, and U.N. activities should be funded on a voluntary basis. This would essentially subject all U.N. programs to a market test. Each country would decide the value of programs by how much they were willing to pay. Those programs that are really vital will continue to receive support, while those championed only by the bureaucracy will die of malnutrition.

Some bargaining will naturally result (country X would say to country Y, you help with my project, and I'll help with yours). But this system would dramatically cut down on waste, eliminate freeloaders, empower member states vis-à-vis the bureaucracy in budget determinations, give states a voice in the U.N. commensurate with their willingness to pay while forcing wealthier countries to pay more, and give the United States and others the option not to fund or participate in programs they are currently compelled to support, but which they feel directly violate their interests.

Lastly, peacekeeping must be overhauled. Peacekeeping is the United Nations' fastest-growing industry. In 1988, the total cost of U.N. peacekeeping operations around the world was just $230 million; in 1994, it was $3.6 billion. Of that, the United States was directly assessed nearly $1.2 billion, plus additional in-kind contributions of personnel, equipment, and other support totaling roughly $1.7 billion (all of which was skimmed off the U.S. defense budget).

Not only have costs proliferated—so has the scope of peacekeeping missions. Prior to 1990, most peacekeeping missions were just that: monitoring truces, policing cease-fires, and serving as a buffer between parties. Today, however, peacekeeping has evolved into a term without meaning. It is used to justify all sorts of U.N. activities—everything from holding elections to feeding hungry people to nation-building. As the system now works, the United States has two choices: go along with a proposed peacekeeping operation and pay 31.7 percent of the cost, or veto the mission, which we do not like to do. The system should permit a third

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option: allow the United States to let missions go forward without U.S. funding or participation. If others in the world want to undertake nation-building operations, there is no reason the United States should discourage them—so long as American taxpayers do not have to pay for a third of it. This would allow the United Nations to serve the purpose it was designed for: helping sovereign states coordinate collective action where the will for such action exists. And, of course, Security Council members would retain the authority to veto missions they deem wholly inappropriate.

FORCING CHANGE

The time has come for the United States to deliver an ultimatum: Either the United Nations reforms, quickly and dramatically, or the United States will end its participation. For too long, the Clinton administration has paid lip service to the idea of U.N. reform, without imposing any real costs for U.N. failure to do so. I am convinced that without the threat of American withdrawal, nothing will change. Withholding U.S. contributions has not worked. In 1986, Congress passed the Kassebaum-Solomon bill, which said to the United Nations in clear and unmistakable terms, reform or die. That did not work. A decade later, the United Nations has neither reformed nor died. The time has come for it to do one or the other.

Legislation has been introduced in the House of Representatives by Rep. Joe Scarborough (R-Fla.) for the United States to withdraw from the United Nations and replace it with a league of democracies. This idea has merit. If the United Nations is not clearly on the path of real reform well before the year 2000, then I believe the United States should withdraw. We must not enter the new millennium with the current U.N. structure in place. The United States has a responsibility to lay out what is wrong with the United Nations, what the benchmarks for adequate reform are, and what steps we are willing to take if those benchmarks are not met by a date certain.

The United Nations will certainly resist any and all reform—particularly many of the smaller and less developed members, which benefit from the current system and gain influence by selling their sovereignty to the organization. That is why the next secretary-general has an enormous job to do: his or her mandate will be nothing less than to save the United Nations from itself, prove that it is not impervious to reform, and show that it can be downsized, brought under control, and harnessed to contribute to the security needs of the 21st century. This is a gargantuan, and perhaps impossible, task. But if it cannot be done, then the United Nations is not worth saving. And if it is not done, I, for one, will be leading the charge for U.S. withdrawal.

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Can Europe Work?

A Plan to Rescue the Union

George Soros

The future of Europe has become a very complicated and technical subject, although it really ought to be very simple. We need a strong and viable European Union. Without it, the world would be back where it was at the end of the First World War. Indeed, the map of Europe today looks largely as it did in 1919, but with one big difference—15 countries of Western Europe are linked in the European Union.

Its creators brought a union into existence to prevent a recurrence of war, particularly one between Germany and France. For 45 years it has been successful in this mission. But the collapse of the Soviet empire and the reunification of Germany upset the delicate balance. Chancellor Helmut Kohl wanted to ground a united Germany firmly in Europe, and the French insisted on creating a stronger union to contain a larger Germany. Margaret Thatcher objected and her successor as British prime minister, John Major, exacted heavy concessions, but there was a sense of urgency, a self-imposed deadline, as leaders of the member states reached a new agreement for Europe. The Treaty on European Union was initialed in the Dutch city of Maastricht in December 1991 and signed two months later.

Maastricht established three pillars for what was now to be styled the European Union: a common currency, a common foreign and security policy, and a common justice and internal policy. Along with this, member states acknowledged that to fulfill its mission the EU must open itself to eastward expansion and admit in a timely fashion countries that qualified. That should have been the end of the story and we should be living happily ever after, with a new institution for a new world. But there is something profoundly wrong in Europe.

The Maastricht Treaty is a flawed document and the European Union we have is not the one we need. The people of Europe barely accepted the treaty in national referendums, and in the five years since it was concluded, dissatisfaction

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with the Union has turned to alienation. Brussels has become a bureaucrat's dream; its legalistic, ever more complicated structure is foreign to the spirit of an open society. High unemployment, a pressing problem across the continent, is widely blamed on the economic convergence criteria Maastricht set for the introduction of the common currency. There is no common foreign policy. Europe's role in Bosnia has become a never-ending source of bickering, failure, and humiliation and a violation of all the principles for which Europe stands. Where has the Union gone wrong? First I shall examine the common currency, then Maastricht's other two pillars and the enlargement process, all of which stand on shaky ground.

E PLURIBUS EURO

Europe needs a common currency. A common market cannot survive in the long run without one because currency markets are notoriously unstable and currency speculation, especially the trend-following variety, can have a destabilizing effect on the economies involved. There are those, particularly in the City of London, who would argue that currency disturbances are short-lived by nature and currency overshoots correct themselves, so that equilibrium is reestablished. But exchange rates do not tend toward equilibrium because they themselves are one of the factors the equilibrium is supposed to reflect. I don't quite know what the equilibrium is, but I do know that it would be different depending on the value of the currencies concerned. Currency fluctuations can disrupt trade relations, as the tensions created by the abrupt fall in value of the Italian lira in 1994-95 demonstrated. In sum, a single market will prove unsustainable without a single currency.

The method chosen to establish the common currency, however, is fundamentally flawed. The Maastricht Treaty lays out the exact criteria that all countries must meet before they can adopt the euro, and the precise timetable for meeting them. It makes some allowances for the vagaries of reality, but demonstrates a basic lack of understanding of the way economies function and the role economic policy should play. Concerned with specifying the conditions that would ensure the stability of the common currency, Maastricht assumes that these can be attained through a continuous process of convergence among the economies of EU countries. Underlying it all is an erroneous equilibrium theory of economics.

John Maynard Keynes showed that full employment is not the natural outcome of a market equilibrium. To bring about full employment, an economy needs government policies specifically designed for the purpose. Some of these may not be sustainable in the long run. Keynes' favorite prescription, fiscal stimulation through increased government spending, no longer works, since financial markets have developed an allergic reaction to such increases. If he were alive today Keynes would prescribe a different remedy, but he would understand that the invisible hand will not get us to a happy equilibrium.

Consider the specific problem Europe faces. It has once again entered a period of high unemployment, similar to the 1930s. There is general agreement that employment is too heavily taxed and labor markets are too rigid in Western Europe. With employers' social security

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contributions and personal taxation each at around 50 percent of gross wages, the combined tax burden on net wages of 50 is 100. Severance payments are onerous as well. No wonder employers are reluctant to offer permanent employment and a significant portion of the labor force is out of work.

The stimulation of aggregate demand à la Keynes is no longer practical, but devising other measures would not be too difficult. Almost everyone agrees that labor markets need to be liberalized, the social security system needs to be reformed, and taxation on employment needs to be reduced. It would be best to reduce government expenditures and taxes on employment at the same time. That would stimulate the economy and open the way to a more thoroughgoing reform of the social security system, including an increase in the retirement age as a second step. French President Jacques Chirac should have insisted on such a policy after his election in May 1995, and Kohl ought to adopt one now, as he is trying to put together an economic reform package. But neither is following this path because the Maastricht criteria constrain them: any tax cuts would increase the budget deficit in 1997, the benchmark year under the treaty. It is therefore very unlikely that Europe will see any effective policies to reduce unemployment before the common currency's introduction.

In all likelihood the euro will be introduced in 1999 as specified in the timetable, for the simple reason that Kohl is determined to introduce it and has the political ability to make it happen. His mandate in the March 24 elections in Baden-Württemberg state is likely to carry him through 1999, but he cannot afford any delay. Even the Bundesbank has no stomach for resistance, largely because it now realizes that its present policies have led Germany into a deep recession from which there is no easy way out. But this creates a dangerous situation. People will direct all their anger and resentment over unemployment at the single currency. There may well be a political revolt—particularly in France, notorious for such rebellions—and it would likely take a nationalistic, anti-European direction.

The danger could be averted, but that would require the German and French governments to flout the Maastricht criteria; to be effective, they should do so in tandem. There is nothing in the Maastricht Treaty to prevent a modification of criteria for admission to the new currency regime. And recall that the criteria apply only at the time of admission; afterward, the treaty calls for the coordination of fiscal policies, with penalties for those who violate the rules, but the rules are left to be worked out. Why not start with a coordinated stimulus program right now? The beneficial effects, if such a policy is introduced now, are sure to be felt by 1998, so that the euro would make its appearance against the background of an improving economy.

If leaders wait to try to reduce unemployment until after the currency's introduction, it may be too late, especially if it turns out that the governments are unable to coordinate their fiscal policies. The EU may fall victim to economic orthodoxy, beloved of central bankers, who will wield great influence in the new arrangements. Here too there are disturbing echoes of the interwar period, when, in Keynes' words, the economy of Great

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A taste of the single currency: euro coin specially minted for a test run in France this year.

Britain was sacrificed on the altar of the gold standard.

The economy is too important to leave to central bankers. With exchange rates permanently fixed and monetary policy under the European central bank's control, national governments will have few policy instruments at their disposal. If they follow diverging fiscal policies, the monetary union could be endangered by individual governments' pursuit of irresponsible courses. That is why Maastricht set limits on government deficits and the accumulation of government debt. But if those limits are fixed in advance and forever, governments have no room for maneuver.

Economies need to be managed, and economies tied together by a common currency also need a common fiscal policy. The Maastricht Treaty sidestepped that issue by fixing only the entry requirements. But if the governments involved cannot take concerted steps now to combat unemployment, it is doubtful they will be able to do so later. In that case, it may be better not to have a common currency at all because mounting popular discontent would likely sweep away present policies, including the single currency.

POLITICS AMONG NATIONS

The second and third pillars of Maastricht—a common foreign and security policy and a common justice and internal policy—have barely begun to function because they have been left to an intergovernmental process and governments always put their own interests ahead of any common interest. Where member countries have delegated their sovereignty by treaty, namely in the Common Market, the arrangements have been effective. But on the second and third pillars of Maastricht there has been little delegation of sovereignty, and cooperation between the member governments does not work.

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As for EU enlargement, the Inter-Governmental Conference, which Maastricht set up to handle the issue, instructing it to begin a preparatory review this year, has made little progress. And even with the new Europe's first pillar—economics—leaving common fiscal policy to the intergovernmental process may endanger the arrangements for a common currency.

As currently constituted, the European Union's structure is part of the problem. The EU consists of a central bureaucracy, the European Commission, which is responsible to 15 national bureaucracies and so multiplies the sins of national bureaucracies by a factor of 15. There is a Council of Ministers, where foreign ministers or their deputies represent the national interests of the constituent states. And there is a directly elected European Parliament, which has practically no powers. The net result is an almost complete absence of a common policy and a rising inability to reconcile conflicting interests.

Consider enlargement. The countries of Central and East Europe desperately need to get closer to the European Union. Although communism is well and truly dead, the patterns of thought and behavior learned in a closed society linger, and the institutions and attitudes of an open society are not yet firmly established. Without the prospect of joining the open society of Europe, the countries of the region could fall back on the kinds of arrangements they are familiar with. Since communism is no longer acceptable, they are liable to turn to some form of nationalism. For people to mobilize behind a nationalist cause, the nation must be endangered. If there is no real threat, one must be invented, but there are plenty of genuine grievances to exploit in Central and East Europe because the communist system suppressed all ethnic and nationalist aspirations. Yugoslavia is a case in point.

The way things are going, the terms of admission for formerly communist states will not be decided on before the end of the century. Since it is almost impossible for the Inter-Governmental Conference to make headway working with the present British government, it will probably have to await the outcome of British elections, likely to take place around next April; the conference would then not finish before the end of 1997. Preparations for the introduction of the single currency will consume 1998, so negotiations on the admission of new members will probably start in earnest only in 1999.

Regrettably, the enlargement of NATO is likely to proceed more rapidly. The problems of Central and East Europe require political integration and economic prosperity, not the extension of military alliances. The countries of the region need political, moral, and economic assurance that they are indeed part of the West and the world of open societies. To give them armies and military alliances instead misconstrues the threat. In fact, the expansion of NATO can easily turn into a self-fulfilling prophecy, generating the very dangers against which it is meant to defend.

Enlargement of the EU last year to 15 members has already made the intergovernmental process more unwieldy, and further enlargement will render it completely unworkable. Take only one example. The presidency rotates among the member nations every six months. After enlargement there could be several years in succession when tiny countries like

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Luxembourg and Malta hold the presidency; voting rights will have to be modified, because if individual countries or a small group of countries can exercise a veto, reaching any decision will be difficult. But it is also hard for a country to relinquish its sovereign rights to a collection of other countries knowing that those countries are guided by their own interests, not by any common interest.

The Inter-Governmental Conference mechanism entrusts the solution of these problems to the parties responsible for creating them—namely, the member governments. What ought to happen in the EU is for decision-making power to be taken away from the governments. After all, sovereignty rests with the people. Any further delegation of sovereignty should come directly from them, not through the governments. And the EU, as a truly supranational authority, ought in turn to be accountable to the elected representatives of the people rather than to the constituent governments.

There is a Catch-22. People have lost their trust in European institutions because of the way those institutions work. They are less willing to delegate sovereignty, even if that might make the institutions more effective. One might hope for a major reform initiative from the European Parliament, but that body is not accustomed to taking the initiative. One might hope for greater public participation and public debate, but the issues confronting the Inter-Governmental Conference are highly technical and its deliberations are private.

The European Union has the potential to become the prototype of an open society. That is what makes it so desirable, so attractive as an ideal, particularly for the people of Central and East Europe. Open societies are based on the recognition that human understanding is imperfect and all constructs and institutions are flawed to a greater or lesser degree. But the Union has been shaped by bureaucrats, particularly French bureaucrats, and they are not known for their humility. They, better than most, recognize the deficiencies of institutions, which is why they are anxious to impose rigid conditions and a rigid timetable—so that the institutions should move forward, however deficient they are. This method has been effective; starting with the European Coal and Steel Community, bureaucrats with vision have used it to build the European Union brick by brick. But in the effort to meet deadlines and conditions, the basic tenet of open society—that there are bound to be flaws in the design—has gotten lost.

THE END OF THE CIRCLE

It is possible to fix the exact date when the vicious circle of bureaucratic rigidity and public disaffection began: November 9, 1989, the day the Berlin Wall fell. Until then, the European Community bureaucracy could cope reasonably well. For instance, it set a target well in advance for the integration of financial markets in 1992, and the operation was a great success. But the events in Berlin pushed Europe from near-equilibrium into a state of dynamic disequilibrium. It was the triumph of open society over totalitarian ideology. This revolutionary change should have sparked a revolutionary response. But the governments and people of Europe failed to rise to the occasion. Germany was willing to pay for the reintegration of East Germany—indeed, it paid too much—but the rest of

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Europe was not. And Europeans were certainly not prepared to make any sacrifice to help the newly independent countries of the Soviet empire make the transition to an open society. If they had been, it would have united Europe in a way the common currency never will.

Matters were left in the hands of bureaucrats, and bureaucrats are notorious for their incapacity to handle revolutionary change. European integration entered a phase resembling the boom-bust so often observed in financial markets. The boom manifested itself in the Maastricht Treaty, and the turning point came half a year later with the treaty's narrow defeat in the June 1992 Danish referendum. Europe could have rallied to the cause, but instead the Danish defeat led to the breakdown of the European Exchange Rate Mechanism that September. Europe has been disintegrating ever since.

The trend toward disintegration, however, may be ready to be reversed. The first sign was the Baden-Württemberg elections in March. Six months ago I would have bet that the introduction of the single currency would be delayed and perhaps deferred indefinitely. I am now willing to bet it will take place on time, even if the convergence criteria have to be modified. A more stable and strongly pro-European government has come to power in Italy, and a Labour government in Britain may soon play a more constructive role in Europe. More important, there is a widespread feeling that the disintegration of Europe has gone far enough. People have been profoundly affected by the tragedy of Bosnia. That is a sentiment on which it is possible to build.

The bureaucratic method of building an integrated Europe has exhausted its potential. The Inter-Governmental Conference should convene a Constitutional Assembly; the people of Europe should be mobilized to bring that about. A Constitutional Assembly would not be empowered to appropriate further slices of national sovereignty without first obtaining the approval of each of the member countries. The new constitution would come into effect only after, say, three-quarters of the national parliaments approved it; in those countries that rejected it, it would be submitted to a referendum. There would be no delegation of powers without authorization. But the Constitutional Assembly would be able to resolve the problems the Inter-Governmental Conference *cannot* resolve, and engage the people of Europe in the process. Only a bold measure, clarifying the nature and identity of the European Union, can stop the gradual disintegration of Europe and prevent a return to the conditions prevailing between the world wars.

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How We Lost Poland

Heroes Do Not Make Good Politicians

Radek Sikorski

Poland's election last year of Aleksander Kwaśniewski, its former communist minister of youth affairs, as president does not augur a turn away from reform, but it does mark the end of the Solidarity era. After a brief intermission from 1989 to 1995, the nation's presidency, executive branch, and parliament are again controlled by the faction that ruled by totalitarianism for 45 years, a descendant of the Polish United Workers Party and its allies. Sensible fiscal and monetary policies continue, but the reformers who started them have been rejected by voters. With defeated President Lech Wałęsa's sulky return to Gdańsk and the shipyard, where in 1980 he led the biggest strike movement in the history of the Soviet bloc, the political failure of those who fought against totalitarianism is complete for now. What went wrong? Why did the electorate reject those who had led and symbolized the struggle for liberty? Why did the Solidarity political elite fail to get credit for the success of its reforms? Why did Poland not follow the pattern of the Czech Republic, where anticommunists have held on to power?

Most Western commentary assumes that the reasons for the former communists' return to power throughout Central and Eastern Europe, with the exception of the Czech Republic, are chiefly economic: market-oriented reforms squeezed money supplies, causing recessions that wiped out workers' savings, created marked economic inequality, and worsened unemployment and underemployment. In societies where sloth was the work ethic for two generations, the argument goes, the pace, unpredictability, and stress of life under capitalism came as a shock. But the answer has more to do with betrayal of principle, myopia, and sheer political incompetence.

Poland and the Czech Republic are, of course, very different. As early as the 1930s, the Czech economy was among Europe's most developed, while Poland's relied heavily on agriculture. Although Czech communists repressed their demo-

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cratic opposition more harshly, they also managed the country's economy better, bequeathing it to their reformist successors with relatively low debt and inflation. Moreover, the former Czechoslovakia discarded its lesser half, the poorer Slovakia, which has languished while the Czech Republic has progressed. Poland would have been easier to reform if its exhausted industrial regions like Silesia could have been abandoned.

Economics, however, cannot entirely account for Poland's electoral shift. The return to power of former communists was avoidable there. Poland may have been the first to try a rapid, sweeping conversion to capitalism—free-market "shock therapy"—but it was also the first to overcome the resultant drop in economic output. The Solidarity-led government's austerity program of currency devaluations, relaxation of price controls, and cutbacks in subsidies was enacted in December 1989, but economic growth returned as early as the first half of 1992, and voters should have begun to notice the benefits by September 1993. However, rather than reformers gaining approval, the renamed communist party captured the largest number of seats in the Polish parliament in the elections that month. By comparison, the recession in the Czech Republic was almost as severe as Poland's, but Václav Klaus is still the prime minister there, his coalition increased its share of the vote from 42 percent to 44 percent in recent elections, and the former communist party is marginal. Last fall Poland was unquestionably in the midst of a sustained economic boom, yet Poles elected Kwaśniewski over Wałęsa. Nor, contrary to conventional wisdom, did only the poor and disadvantaged vote for the former communists. In a poll published after the 1993 election, 60 percent of Polish entrepreneurs said they voted for Kwaśniewski's coalition, the Democratic Left Alliance.

Although the economic cycle certainly created conditions favorable for the resurgence of the old ruling class, the immediate causes were political. To put it bluntly, the former anticommunist opposition in Poland lost power because of a long list of cardinal sins in political craftsmanship.

THE TURN OF THE ROUND TABLE

The way in which power was transferred from a communist government to a democratic one was the original sin of the opposition. Czechoslovakia had a proper revolution—demonstrations, skirmishes with riot police, and a spectacular collapse of the old regime, followed by dancing in the streets. Poland, on the other hand, was liberated gradually, without mass participation. The so-called Round Table agreement of February 1989 between the old regime and the democratic opposition initiated a slow, measured withdrawal of communism. The accord legalized Solidarity, established the rights of free speech and association, and provided for democratic elections of state bodies. It led to the June 1989 elections, in which a third of the seats in the National Assembly and all of the seats in the Senate were freely contested. Almost all the open seats went to the Solidarity-led opposition. Thanks to the Round Table pact, Poland had its first noncommunist prime minister since World War II. Meanwhile, opposition movements in the rest of Central Europe had barely begun to stir.

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But the settlement was a good deal for the communists, too, because it was half-baked. The Solidarity prime minister, Tadeusz Mazowiecki, was timid and stymied by communists who still ran the powerful defense and interior ministries. Worse, the Round Table negotiations divided the various strands of the Solidarity-led reform movement. The communists decided who were "responsible" politicians—that is, those with whom they would deal—and their definition was implicitly accepted by those who sat down at the negotiating table. The Round Table talks between the dictatorship and the pro-democracy forces, held at a mansion outside Warsaw called Magdalenka, had a public façade of antagonism and a secret agenda of collaboration.

It is hard for any political observer to fathom the bitterness and mistrust that still plague Polish politics without understanding the spirit of Magdalenka. It was there that veteran dissidents such as Adam Michnik, now editor of the *Gazeta Wyborcza*, Poland's largest daily, and a personal friend of Kwaśniewski, came to view their communist negotiating partners not as villains who might one day deserve forgiveness, but as allies in ruling an allegedly dim and xenophobic nation. That collaboration raised the level of paranoia in Polish politics, which was never low to begin with.

Poland, in the wake of the Magdalenka accord, split into roughly four camps—the former communists under the dictator General Wojciech Jaruzelski; their Peasant Party allies; the Magdalenka faction of the anticommunist opposition, led by Mazowiecki; and the remainder, comprising various right-wing parties and the Solidarity trade union, informally led by Wałęsa.

The negotiated communist withdrawal also evolved into an awkward merger of the communist and democratic governing cultures in 1989-90. In the Czech Republic, the duo of Klaus and President Václav Havel launched their government with a style befitting a cheerful new democracy. Klaus adopted the manner of the students' favorite professor, while Havel played the cool philosopher-king, with hippie bodyguards and rock star Frank Zappa in attendance. It seemed that power had not corrupted them. In Poland, some of the nomenklatura's ways quickly rubbed off on their Round Table partners. Instead of abolishing the special government clinic where generations of high-ranking communists and their families took refuge from the decrepitude of public hospitals, Mazowiecki extended the privilege to his cronies in academia. His cabinet secretary fought like a lion to preserve a dozen government guest houses and hunting lodges used by high officials, grander and more numerous than those belonging to many a Western government.

The Round Table agreement soon led to other fiascoes. In the June 1989 elections, voters rejected the communist party totally: in Senate elections, where the vote was entirely free, only one out of a hundred seats fell to a communist, and that was because he was a popular businessman. But the Round Table accord also bent the electoral rules dramatically in favor of the communist regime and its allies; they were guaranteed at least 65 percent of the seats in the lower house, regardless of how the public might vote. Jaruzelski, the dictator under martial law for most of the 1980s, was extremely unpopular and was an unlikely president for a free Poland. Yet he was elected—with the decisive votes cast

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by members of the Magdalenka faction of Solidarity—because of the spirit of common cause with the communists that was engendered at the Round Table. By this time, ordinary Poles had reason to suspect that their views were not being taken seriously. The seeds of mistrust toward the new political class were sown.

GETTING WHAT YOU ASKED FOR

The government that Prime Minister Mazowiecki inherited in 1989 was a hybrid of his Solidarity-led partisans and then-President Jaruzelski's nomenklatura. It was also bankrupt. Interest on international loans had not been paid in months, reserve funds were depleted, inflation was out of control, and economic output was sinking. Whatever path the government chose, hard days lay ahead. But Mazowiecki never explained, let alone campaigned for, his reform program. In the Czech Republic, Klaus spent about half his time conceiving and implementing reform measures, and the other half selling those measures to the public, not just on radio and television but by ceaseless proselytizing in his speaking engagements. In Poland, only Jacek Kuroń, the social affairs minister, made a stab at informing and persuading the public, in his weekly television appearances. The father of Polish economic reform, Finance Minister Leszek Balcerowicz, was very good at it when he tried. He just did not think it important enough. Even though their mandate was only half-democratic—Jaruzelski, after all, was still president—Mazowiecki and his ministers imagined that Poland was theirs to rule for a decade and that, since market reforms would kick in fairly soon, there was no need to debate with the hoi polloi.

Solidarity reformers were almost exclusively urban intellectuals. Years of contact with trade union leaders like Wałęsa had made them sensitive to worker sentiment, but their sympathy never extended to Poland's hearty peasantry, which had kept 80 percent of the land in private hands throughout communist rule. The 1990 credit squeeze and the change in the terms of trade associated with reform hit the peasants hard. But the reformers, blinded to the political implications by free-market romanticism, failed to make any gestures of sympathy for the plight of the peasants and barely bothered to hide their contempt. Thus Solidarity lost the political support of a social group comprising some 16 percent of the voting population, a constituency that in Britain, for example, had traditionally been one of the staunchest supporters of the conservative party. The first Solidarity government was formed in 1989, when the Peasant Party, which acts as a sort of trade union for small landholders, deserted the communist party. The post-communist Democratic Left Alliance regained power when the Peasant Party rejoined its coalition in 1993. But the political lesson of this change in allegiance has still not sunk in, and Solidarity politicians are as patronizing as ever.

The reformers committed yet another sin of omission in the spring of 1990, when the communist party dissolved itself. A new party, now known to have been financed with KGB loans, was immediately formed: the Social Democrats of the Republic of Poland, one of the parties now in charge. This was a golden opportunity for the reformers to break with the Round Table agreement and hold elections to install a new, fully democratic

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parliament. A parliament elected in 1990 would have undoubtedly been Solidarity-dominated, with no need for exotic coalitions. It also would have had a mandate until mid-1995, by which time the worst of the political upheaval and economic crisis would have been over.

The trouble was that the top opposition politicians at that time, the faction of Solidarity that had negotiated at Magdalenka, feared democracy. Most were former members of the communist party who had been schooled for decades in its machinations and later in the clandestine ways of the dissident movement. They felt uncomfortable with a process whose outcome was unpredictable. Warsaw intellectual salons began to resound with the view that the designations of left and right were obsolete and what Poland needed was not traditional parties but a single dominant political machine like Mexico's Institutional Revolutionary Party. In their dreams of consolidation, the Magdalenka faction even imagined that Wałęsa—founder of Solidarity, slayer of communism, and Nobel Peace Prize winner—could be pushed to the sidelines.

That plan could not work. When Wałęsa declared his presidential bid in the fall of 1990 and promised to smash the Round Table deal, his approval ratings shot up. The Center Alliance that rallied behind him was a broad coalition, ranging from economic liberals to traditional conservatives to Catholic democrats—the potential nucleus of a Polish Republican Party. The election, won by Wałęsa, highlighted voters' dissatisfaction with the Magdalenka faction; its candidate, Mazowiecki, lost not only to Wałęsa but also to Stanisław Tymiński, a Peruvian-Canadian-Polish businessman who claims to have psychic powers.

NOT RIGHT NOW

From 1991 onward, the right wing of the reformist movement blundered the most. The first fully democratic election in Poland in half a century, in October 1991, was held under an extreme version of proportional representation. The results were predictable: fragmentation of the Polish parliament into more than a dozen quarrelsome factions. The prime minister the parliament finally managed to elect, Jan Olszewski, was a distinguished lawyer who had defended many dissidents, but he failed to broaden his coalition to give himself a working majority in parliament.

Less than a year later, the government suffered the fiasco of *lustracja*, or lustration: the attempt to weed out from state structures those who had been informers for the totalitarian regime's secret police. In the Czech Republic, employers were given an opportunity to review the files of their employees. The files revealed that up to half of all journalists active during the communist regime had been compromised. Prime Minister Klaus said the Czech approach had benefited democracy because it cleared the air and preempted the opportunities for blackmail. In Poland, scores of secret police agents were still members of parliament, ministers, and ambassadors. The end of their influence on Polish politics should have been a breakthrough for open government.

Poland's lustration, ill-prepared and hastily executed, achieved aims opposite to those intended. The contents of the files were leaked before they had been evaluated. Olszewski's interior minister, Antoni Macierewicz, was accused, falsely,

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I believe, of tampering with the information for political reasons. In the ensuing controversy, the government was brought down in parliament by Wałęsa and several parties whose members risked exposure. The media coverage convinced many that the informers, not their targets, were the victims of a witch-hunt.

The reformist right kept on blundering. When the electoral law was revised to require a party to receive five percent of the vote to qualify for parliamentary representation, the leaders of the various right-wing parties and splinter groups failed to take this into account. Predictably, none of the reformist right-wing parties in the September 1993 election made it into the new parliament despite winning, cumulatively, about 30 percent of the vote. The former communists polled just under 20 percent, but their united faction received 35 percent of the seats. The legislature, once again, was theirs.

THE FAULT LINES

Such a massive defeat should have led the former dissident movement to second thoughts, regrets, and a united stand in the presidential elections last year. It did not. Each faction still regarded itself as the sole standard-bearer of patriotism and truth, and each nominated its own candidate, none more suitable than the next. The Freedom Union, which was the former Magdalenka faction of Solidarity, named the likable Kuroń, although he did not project a presidential persona, and it was widely known that he had a drinking problem. The right wing of Solidarity failed to unite behind a single candidate, thus ensuring defeat.

Wałęsa's term, from 1990 to 1995, was a series of erratic, sometimes brilliant, tactical maneuvers that in the end fit no strategy. His abrasive personality and uncouth manners jarred voters to the point where, eventually, many of them came to miss the more dignified Jaruzelski.

Wałęsa, who had once been jailed by the Jaruzelski regime for almost a year, allied himself with unreconstructed elements in the army and security services, apparently because they proved to be more pliable and willing to join his power plays than his own supporters. He wrecked the movement that brought him to power. In the end, a man who had achieved immortality destroyed his greatness with his own hands.

During the campaign, Wałęsa put up a good fight, but his past caught up with him: the broken promises, the succor he had given the communists during much of his term, and the shady characters in his entourage, such as Mieczyslaw Wachowski, a chauffeur who was made minister of state. Still, it looked as if he might win after all, until his obnoxious performance in a television debate with Kwaśniewski. Wałęsa was arrogant, ranting, and crude, and he refused to shake hands with his opponent. His behavior cost him eight percent of his support. He eventually lost by two percent.

UNEMPLOYED HEROES

For five years the Polish electorate watched patiently as Solidarity politicians bickered and fumed, broke promises, displayed hypocrisy, arrogance, and corruption. The warning signs that the fund of trust in the Solidarity elite was dwindling were numerous and frequent. Each year the number of votes cast for parties led by former Solidarity activists dropped, while the former communists steadily grew in

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strength. Nobody paid attention. Solidarity lost of its own accord.

In the end, the former dissidents from across the political spectrum erred not because they were bad people but because they were heroes. Only the most idealistic, single-minded, and stubborn individuals could sustain decades of seemingly hopeless resistance against communism. Dissident activity taught its practitioners to distrust others and to stand on principle, come what may. The basic skills of a normal democratic politician—media showmanship, coalition-building, administrative management, legal proficiency—were impossible to acquire.

For communists, paradoxically, collaboration with the dictatorship was good preparation for democratic politics. The communist party attracted ambitious, pragmatic, morally flexible individuals—exactly the sort that make successful democratic politicians these days.

The Catholic Church also contributed to the decline of the reformers. It had been a bulwark against totalitarianism, but with the advent of democracy its authoritative tone began to grate. What alienated many Poles was not necessarily the church's attempts to wield political influence (its power as a lobbyist was inevitable in a predominantly Catholic country), but its clumsiness in doing so. It pressured the government to reintroduce religious education, which had been banned in the 1950s, into the Polish school system by executive decree rather than by legislation after proper public debate. The church twisted the parliament's arm to get a proposal introduced for the toughest antiabortion law in Europe, after Ireland's. The method smacked of hypocrisy: while publicly arguing that moral matters should not be decided by a vote, the church and its followers intimidated members of parliament into voting for the change, alienating even more voters.

The media also played a part. Poland's largest news magazine, *Wprost*, glorified nomenklatura capitalism. *Gazeta Wyborcza* went out of its way to launder former communists into respectability. Meanwhile, publications sympathetic to the reformist right were poorly financed, unprofessionally edited, and often shrill. None has attained national stature and a mainstream readership. In sum, for the five years of reformist government the Polish voters were bombarded with political and economic information that was unreliable, biased, libelous, and confusing. No wonder they came to view all politicians as equally corrupt, hypocritical, and untrustworthy.

LET DOWN BY THE WEST

Last but not least among the factors contributing to the descent of the former dissidents, the West did not help. When the Mazowiecki government slashed tariffs on Western imports, for example, the Western nations did not respond in kind. Poles were told that they could export as many satellites and microchips as they wanted, provided they did not try to sell their steel, textiles, or strawberries. Western talk of aid to the region masked mind-boggling hypocrisy. All the aid programs did not add up to a fraction of what the Polish economy was losing because of barriers to trade. Moreover, six years after the collapse of communism, Central Europe has still not been offered any firm commitments for either NATO or European Union membership. If Solidarity

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governments could have presented themselves as guarantors of eventual membership in Western institutions, voting for the ex-communists would have been less attractive. But seeing the Solidarity leaders duped time after time, voters correctly concluded that the former communists would be savvier; they would not be naively and unconditionally pro-Western and would extract more concessions by playing hardball.

THE MESSAGE OF MORAL RENEWAL

Poland's politicians, religious leaders, media, and Western friends all failed to convey that a return to democracy should have been, above all, a process of moral renewal. Poland needed to rebuild normal democratic and civic institutions and to return to the value system of a free society. This could not have been achieved by sweeping uncomfortable truths under the carpet, nor by following people who had made their careers with collaboration.

The reformers defended capitalism simply on the grounds that it was more efficient; they did not dare to argue that it was also more moral. They surrendered the language of morality to the former communists. No wonder many people turned to the party that spoke the language of social values the loudest—the former communists—who promised, however falsely, a kinder and gentler capitalism.

Do any of these failures matter? Perhaps Poland has already arrived at the happy stage at which, Italian-style, its messy politics no longer interferes with its economy. After all, inflation is dropping, GDP is rising at a healthy six percent annually, and currency and credit ratings are firming up. In January, while military prosecutors investigated the prime minister for spying, the Warsaw stock exchange boomed. Russia may be making threatening noises again, but foreign investment is pouring into Poland.

Unfortunately, the former communists are more like a nascent ruling class than the elite of a traditional Western social democracy. Using money stashed in foreign bank accounts and taking full advantage of the leniency of Solidarity-led governments, former apparatchiks have amassed fortunes. The entrepreneurs who voted for the former communist party did not suffer from "false consciousness." Quite the contrary. They voted for their friends. The money generated through the collusion of nomenklatura businessmen and corrupt bureaucrats is being plowed back into politics to win votes. President Kwaśniewski won not just because he was the most attractive candidate. His campaign was also the best financed. Naturally, this post-communist ruling class will now try to perpetuate its economic and political dominance, causing bitter resentment and provoking social strife.

Does the return to power of former communists matter to the West? Yes. If Central European countries are to be admitted to the councils of NATO and the European Union, their representatives at those institutions should be men and women of integrity, not security risks. Perhaps only a new generation of politicians, uncorrupted by either communism or the dissident movement, can make Poland a normal democracy at last.

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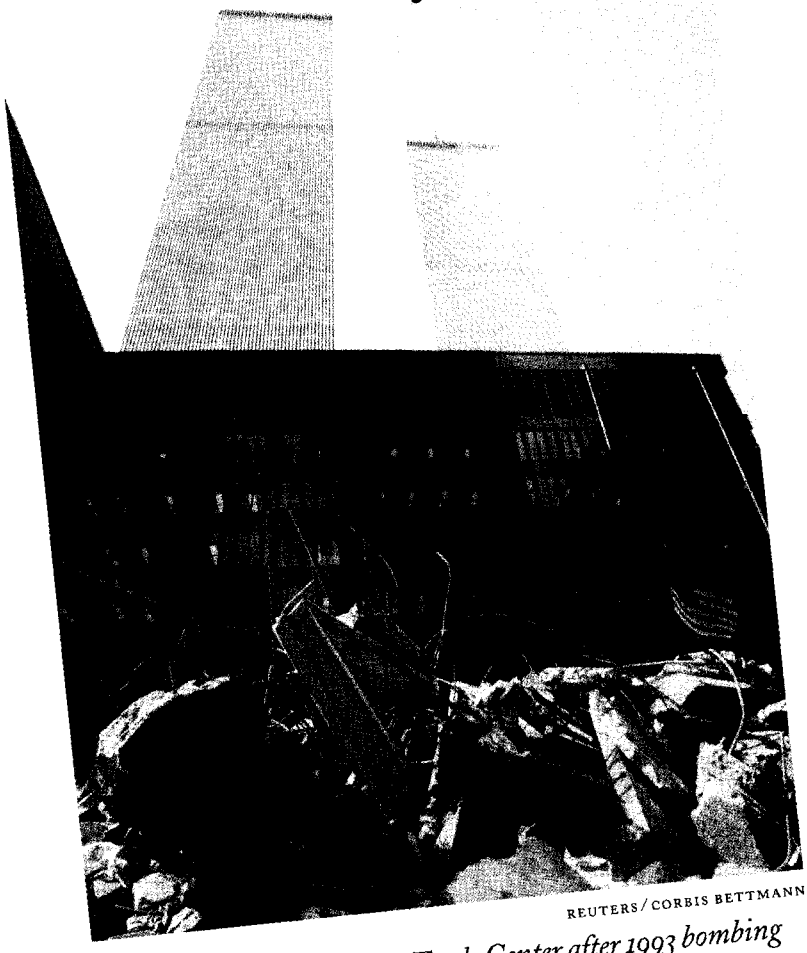
Essays



REUTERS/CORBIS BETTMANN

Debris outside the World Trade Center after 1993 bombing

The terrorism of the future may be far more destructive than terrorism as we have known it.

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Postmodern Terrorism

Walter Laqueur

NEW RULES FOR AN OLD GAME

As the nineteenth century ended, it seemed no one was safe from terrorist attack. In 1894 an Italian anarchist assassinated French President Sadi Carnot. In 1897 anarchists fatally stabbed Empress Elizabeth of Austria and killed Antonio Cánovas, the Spanish prime minister. In 1900 Umberto I, the Italian king, fell in yet another anarchist attack; in 1901 an American anarchist killed William McKinley, president of the United States. Terrorism became the leading preoccupation of politicians, police chiefs, journalists, and writers from Dostoevsky to Henry James. If in the year 1900 the leaders of the main industrial powers had assembled, most of them would have insisted on giving terrorism top priority on their agenda, as President Clinton did at the Group of Seven meeting after the June bombing of the U.S. military compound in Dhahran, Saudi Arabia.

From this perspective the recent upsurge of terrorist activity is not particularly threatening. According to the State Department's annual report on the subject, fewer people died last year in incidents of international terrorism (165) than the year before (314). Such figures, however, are almost meaningless, because of both the incidents they disregard and those they count. Current definitions of terrorism fail to capture the magnitude of the problem worldwide.

Terrorism has been defined as the substate application of violence or threatened violence intended to sow panic in a society, to weaken or even overthrow the incumbents, and to bring about political change. It shades

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on occasion into guerrilla warfare (although unlike guerrillas, terrorists are unable or unwilling to take or hold territory) and even a substitute for war between states. In its long history terrorism has appeared in many guises; today society faces not one terrorism but many terrorisms.

Since 1900, terrorists' motivation, strategy, and weapons have changed to some extent. The anarchists and the left-wing terrorist groups that succeeded them, down through the Red Armies that operated in Germany, Italy, and Japan in the 1970s, have vanished; if anything, the initiative has passed to the extreme right. Most international and domestic terrorism these days, however, is neither left nor right, but ethnic-separatist in inspiration. Ethnic terrorists have more staying power than ideologically motivated ones, since they draw on a larger reservoir of public support.

The greatest change in recent decades is that terrorism is by no means militants' only strategy. The many-branched Muslim Brotherhood, the Palestinian Hamas, the Irish Republican Army (IRA), the Kurdish extremists in Turkey and Iraq, the Tamil Tigers of Sri Lanka, the Basque Homeland and Liberty (ETA) movement in Spain, and many other groups that have sprung up in this century have had political as well as terrorist wings from the beginning. The political arm provides social services and education, runs businesses, and contests elections, while the "military wing" engages in ambushes and assassinations. Such division of labor has advantages: the political leadership can publicly disassociate itself when the terrorists commit a particularly outrageous act or something goes wrong. The claimed lack of control can be quite real because the armed wing tends to become independent; the men and women with the guns and bombs often lose sight of the movement's wider aims and may end up doing more harm than good.

Terrorist operations have also changed somewhat. Airline hijackings have become rare, since hijacked planes cannot stay in the air forever and few countries today are willing to let them land, thereby incurring the stigma of openly supporting terrorism. Terrorists, too, saw diminishing returns on hijackings. The trend now seems to be away from attacking specific targets like the other side's officials and toward more indiscriminate killing. Furthermore, the dividing line between urban terrorism and other tactics has become less distinct, while the line

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between politically motivated terrorism and the operation of national and international crime syndicates is often impossible for outsiders to discern in the former Soviet Union, Latin America, and other parts of the world. But there is one fundamental difference between international crime and terrorism: mafias have no interest in overthrowing the government and decisively weakening society; in fact, they have a vested interest in a prosperous economy.

Misapprehensions, not only semantic, surround the various forms of political violence. A terrorist is not a guerrilla, strictly speaking. There are no longer any guerrillas, engaging in Maoist-style liberation of territories that become the base of a counter-society and a regular army fighting the central government—except perhaps in remote places like Afghanistan, the Philippines, and Sri Lanka. The term "guerrilla" has had a long life partly because terrorists prefer the label, for its more positive connotations. It also persists because governments and media in other countries do not wish to offend terrorists by calling them terrorists. The French and British press would not dream of referring to their countries' native terrorists by any other name but call terrorists in other nations militants, activists, national liberation fighters, or even "gun persons."

The belief has gained ground that terrorist missions by volunteers bent on committing suicide constitute a radical new departure, dangerous because they are impossible to prevent. But that is a myth, like the many others in which terrorism has always been shrouded. The bomber willing and indeed eager to blow himself up has appeared in all eras and cultural traditions, espousing politics ranging from the leftism of the Baader-Meinhof Gang in 1970s Germany to rightist extremism. When the Japanese military wanted kamikaze pilots at the end of World War II, thousands of volunteers rushed to offer themselves. The young Arab bombers on Jerusalem buses looking to be rewarded by the virgins in Paradise are a link in an old chain.

State-sponsored terrorism has not disappeared. Terrorists can no longer count on the Soviet Union and its Eastern European allies, but some Middle Eastern and North African countries still provide support. Tehran and Tripoli, however, are less eager to argue that they have a divine right to engage in terrorist operations outside

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their borders; the 1986 U.S. air strike against Libya and the various boycotts against Libya and Iran had an effect. No government today boasts about surrogate warfare it instigates and backs.

On the other hand, Sudan, without fanfare, has become for terrorists what the Barbary Coast was for pirates of another age: a safe haven. Politically isolated and presiding over a disastrous economy, the military government in Khartoum, backed by Muslim leaders, believes that no one wants to become involved in Sudan and thus it can get away with lending support to terrorists from many nations. Such confidence is justified so long as terrorism is only a nuisance. But if it becomes more than that, the rules of the game change, and both terrorists and their protectors come under great pressure.

OPPORTUNITIES IN TERRORISM

HISTORY SHOWS that terrorism more often than not has little political impact, and that when it has an effect it is often the opposite of the one desired. Terrorism in the 1980s and 1990s is no exception. The 1991 assassination of Rajiv Gandhi as he campaigned to retake the prime ministership neither hastened nor inhibited the decline of India's Congress Party. Hamas' and Hezbollah's stepped-up terrorism in Israel undoubtedly influenced the outcome of Israeli elections in May, but while it achieved its immediate objective of setting back the peace process on which Palestine Authority President Yasir Arafat has gambled his future, is a hard-line Likud government really in these groups' interests? On the other side, Yigal Amir, the right-wing orthodox Jewish student who assassinated Prime Minister Yitzhak Rabin last fall because he disapproved of the peace agreement with the Palestinians, might well have helped elect Rabin's dovish second-in-command, Shimon Peres, to a full term had the Muslim terrorists not made Israeli security an issue again.

Terrorists caused disruption and destabilization in other parts of the world, such as Sri Lanka, where economic decline has accompanied the war between the government and the Tamil Tigers. But in Israel and in Spain, where Basque extremists have been staging attacks for decades, terrorism has had no effect on the economy. Even in Algeria, where terrorism has exacted the highest toll in human

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lives, Muslim extremists have made little headway since 1992-93, when many predicted the demise of the unpopular military regime.

Some argue that terrorism must be effective because certain terrorist leaders have become president or prime minister of their country. In those cases, however, the terrorists had first forsworn violence and adjusted to the political process. Finally, the common wisdom holds that terrorism can spark a war or, at least, prevent peace. That is true, but only where there is much inflammable material: as in Sarajevo in 1914, so in the Middle East and elsewhere today. Nor can one ever say with certainty that the conflagration would not have occurred sooner or later in any case.

The greatest change is that terrorism is not militants' only strategy.

Nevertheless, terrorism's prospects, often overrated by the media, the public, and some politicians, are improving as its destructive potential increases. This has to do both with the rise of groups and individuals that practice or might take up terrorism and with the weapons available to them. The past few decades have witnessed the birth of dozens of aggressive movements espousing varieties of nationalism, religious fundamentalism, fascism, and apocalyptic millenarianism, from Hindu nationalists in India to neofascists in Europe and the developing world to the Branch Davidian cult of Waco, Texas. The earlier fascists believed in military aggression and engaged in a huge military buildup, but such a strategy has become too expensive even for superpowers. Now, mail-order catalogs tempt militants with readily available, far cheaper, unconventional as well as conventional weapons—the poor man's nuclear bomb, Iranian President Ali Akbar Hashemi Rafsanjani called them.

In addition to nuclear arms, the weapons of mass destruction include biological agents and man-made chemical compounds that attack the nervous system, skin, or blood. Governments have engaged in the production of chemical weapons for almost a century and in the production of nuclear and biological weapons for many decades, during which time proliferation has been continuous and access ever easier.[1] The means of

[1]Science fiction writers produced chemical weapons even earlier. In Jules Verne's *The Begum's Fortune*, a (German) scientist aims to wipe out the 250,000 inhabitants of (French) Franceville with one grenade of what he calls carbon acid gas, shot from a supergun.

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CARTOONISTS & WRITERS SYNDICATE

A poisonous threat: Shoko Asahara, leader of the Aum Shinrikyo cult.

delivery—ballistic missiles, cruise missiles, and aerosols—have also become far more effective. While in the past missiles were deployed only in wars between states, recently they have played a role in civil wars in Afghanistan and Yemen. Use by terrorist groups would be but one step further.

Until the 1970s most observers believed that stolen nuclear material constituted the greatest threat in the escalation of terrorist weapons, but many now think the danger could lie elsewhere. An April 1996 Defense Department report says that "most terrorist groups do not have the financial and technical resources to acquire nuclear weapons but could gather materials to make radiological dispersion devices and some biological and chemical agents." Some groups have state sponsors that possess or can obtain weapons of the latter three types. Terrorist groups themselves have investigated the use of poisons since the nineteenth century. The Aum Shinrikyo cult staged a poison gas attack in March 1995 in the Tokyo subway; exposure to the nerve gas sarin killed ten people and injured 5,000. Other, more amateurish attempts in the United States and abroad to experiment with chemical substances and biological agents for use in terrorism have involved

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the toxin that causes botulism, the poisonous protein rycin (twice), sarin (twice), bubonic plague bacteria, typhoid bacteria, hydrogen cyanide, VX (another nerve gas), and possibly the Ebola virus.

TO USE OR NOT TO USE?

IF TERRORISTS have used chemical weapons only once and nuclear material never, to some extent the reasons are technical. The scientific literature is replete with the technical problems inherent in the production, manufacture, storage, and delivery of each of the three classes of unconventional weapons.

The manufacture of nuclear weapons is not that simple, nor is delivery to their target. Nuclear material, of which a limited supply exists, is monitored by the U.N.-affiliated International Atomic Energy Agency. Only governments can legally procure it, so that even in this age of proliferation investigators could trace those abetting nuclear terrorists without great difficulty. Monitoring can overlook a more primitive nuclear weapon: nonfissile but radioactive nuclear material. Iranian agents in Turkey, Kazakhstan, and elsewhere are known to have tried to buy such material originating in the former Soviet Union.

Chemical agents are much easier to produce or obtain but not so easy to keep safely in stable condition, and their dispersal depends largely on climatic factors. The terrorists behind last year's attack in Tokyo chose a convenient target where crowds of people gather, but their sarin was apparently dilute. The biological agents are far and away the most dangerous: they could kill hundreds of thousands where chemicals might kill only thousands. They are relatively easy to procure, but storage and dispersal are even trickier than for nerve gases. The risk of contamination for the people handling them is high, and many of the most lethal bacteria and spores do not survive well outside the laboratory. Aum Shinrikyo reportedly released anthrax bacteria—among the most toxic agents known—on two occasions from a building in Tokyo without harming anyone.

Given the technical difficulties, terrorists are probably less likely to use nuclear devices than chemical weapons, and least likely to attempt to use biological weapons. But difficulties could be overcome, and the

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choice of unconventional weapons will in the end come down to the specialties of the terrorists and their access to deadly substances.

The political arguments for shunning unconventional weapons are equally weighty. The risk of detection and subsequent severe retaliation or punishment is great, and while this may not deter terrorists it may put off their sponsors and suppliers. Terrorists eager to use weapons of mass destruction may alienate at least some supporters, not so much because the dissenters hate the enemy less or have greater moral qualms but because they think the use of such violence counterproductive. Unconventional weapon strikes could render whole regions uninhabitable for long periods. Use of biological arms poses the additional risk of an uncontrollable epidemic. And while terrorism seems to be tending toward more indiscriminate killing and mayhem, terrorists may draw the line at weapons of superviolence likely to harm both foes and large numbers of relatives and friends—say, Kurds in Turkey, Tamils in Sri Lanka, or Arabs in Israel.

Terrorists can order the poor man's nuclear bomb from a catalog.

Furthermore, traditional terrorism rests on the heroic gesture, on the willingness to sacrifice one's own life as proof of one's idealism. Obviously there is not much heroism in spreading botulism or anthrax. Since most terrorist groups are as interested in publicity as in violence, and as publicity for a mass poisoning or nuclear bombing would be far more unfavorable than for a focused conventional attack, only terrorists who do not care about publicity will even consider the applications of unconventional weapons.

Broadly speaking, terrorists will not engage in overkill if their traditional weapons—the submachine gun and the conventional bomb—are sufficient to continue the struggle and achieve their aims. But the decision to use terrorist violence is not always a rational one; if it were, there would be much less terrorism, since terrorist activity seldom achieves its aims. What if, after years of armed struggle and the loss of many of their militants, terrorist groups see no progress? Despair could lead to giving up the armed struggle, or to suicide. But it might also lead to a last desperate attempt to defeat the hated enemy by arms not tried before. As one of Racine's heroes said of himself, their "only hope lies in their despair."

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APOCALYPSE SOON

TERRORIST GROUPS traditionally contain strong quasi-religious, fanatical elements, for only total certainty of belief (or total moral relativism) provides justification for taking lives. That element was strong among the prerevolutionary Russian terrorists and the Romanian fascists of the Iron Guard in the 1930s, as it is among today's Tamil Tigers. Fanatical Muslims consider the killing of the enemies of God a religious commandment, and believe that the secularists at home as well as the State of Israel will be annihilated because it is Allah's will. Aum Shinrikyo doctrine held that murder could help both victim and murderer to salvation. Sectarian fanaticism has surged during the past decade, and in general, the smaller the group, the more fanatical.

As humankind approaches the end of the second millennium of the Christian era, apocalyptic movements are on the rise. The belief in the impending end of the world is probably as old as history, but for reasons not entirely clear, sects and movements preaching the end of the world gain influence toward the end of a century, and all the more at the close of a millennium. Most of the preachers of doom do not advocate violence, and some even herald a renaissance, the birth of a new kind of man and woman. Others, however, believe that the sooner the reign of the Antichrist is established, the sooner this corrupt world will be destroyed and the new heaven and earth foreseen by St. John in the Book of Revelation, Nostradamus, and a host of other prophets will be realized.[2]

Extremist millenarians would like to give history a push, helping create world-ending havoc replete with universal war, famine, pestilence, and other scourges. It is possible that members of certain Christian and Jewish sects that believe in Armageddon or Gog and

[2]According to Nostradamus, a "great King of terror" will come from heaven in July 1999. Millenarians face a problem when it comes to fixing the date; the Gospel of St. Matthew says that "no one knows the day and the hour, not even the angels in heaven." As the year 1000 approached, educated people were fully aware that the Christian calendar was inexact and could not be corrected—hence the assumption that the world could end almost anytime between 960 and 1040. For a comparative review of apocalyptic influences at the end of the nineteenth and the twentieth centuries, see Walter Laqueur, "Fin de Siècle—Once More with Feeling," *Journal of Contemporary History*, January 1996, pp. 5-47.

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Magog or the Muslims and Buddhists who harbor related extreme beliefs could attempt to play out a doomsday scenario. A small group of Israeli extremists, for instance, firmly believes that blowing up Temple Mount in Jerusalem would bring about a final (religious) war and the beginning of redemption with the coming of the Kingdom of God. The visions of Shoko Asahara, the charismatic leader of Aum Shinrikyo, grew increasingly apocalyptic, and David Koresh proclaimed the Last Day's arrival in the Branch Davidians' 1994 confrontation with Bureau of Alcohol, Tobacco, and Firearms agents.

Those who subscribe to such beliefs number in the hundreds of thousands and perhaps millions. They have their own subcultures, produce books and CDs by the thousands, and build temples and communities of whose existence most of their contemporaries are unaware. They have substantial financial means at their disposal. Although the more extreme apocalyptic groups are potentially terrorist, intelligence services have generally overlooked their activities; hence the shock over the subway attack in Tokyo and Rabin's assassination, to name but two recent events.

Apocalyptic elements crop up in contemporary intellectual fashions and extremist politics as well. For instance, extreme environmentalists, particularly the so-called restoration ecologists, believe that environmental disasters will destroy civilization as we know it—no loss, in their view—and regard the vast majority of human beings as expendable. From such beliefs and values it is not a large step to engaging in acts of terrorism to expedite the process. If the eradication of smallpox upset ecosystems, why not restore the balance by bringing back the virus? The motto of *Chaos International,* one of many journals in this field, is a quotation from Hassan I Sabbah, the master of the Assassins, a medieval sect whose members killed Crusaders and others in a "religious" ecstasy; everything is permitted, the master says. The premodern world and postmodernism meet at this point.

FUTURE SHOCK

SCANNING THE contemporary scene, one encounters a bewildering multiplicity of terrorist and potentially terrorist groups and sects. The practitioners of terrorism as we have known it to this point were

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nationalists and anarchists, extremists of the left and the right. But the new age has brought new inspiration for the users of violence along with the old.

In the past, terrorism was almost always the province of groups of militants that had the backing of political forces like the Irish and Russian social revolutionary movements of 1900. In the future, terrorists will be individuals or like-minded people working in very small groups, on the pattern of the technology-hating Unabomber, who apparently worked alone sending out parcel bombs over two decades, or the perpetrators of the 1995 bombing of the federal building in Oklahoma City. An individual may possess the technical competence to steal, buy, or manufacture the weapons he or she needs for a terrorist purpose; he or she may or may not require help from one or two others in delivering these weapons to the designated target. The ideologies such individuals and mini-groups espouse are likely to be even more aberrant than those of larger groups. And terrorists working alone or in very small groups will be more difficult to detect unless they make a major mistake or are discovered by accident.

Could 20 hackers with $1 billion really shut down America?

Thus at one end of the scale, the lone terrorist has appeared, and at the other, state-sponsored terrorism is quietly flourishing in these days when wars of aggression have become too expensive and too risky. As the century draws to a close, terrorism is becoming the substitute for the great wars of the 1800s and early 1900s.

Proliferation of the weapons of mass destruction does not mean that most terrorist groups are likely to use them in the foreseeable future, but some almost certainly will, in spite of all the reasons militating against it. Governments, however ruthless, ambitious, and ideologically extreme, will be reluctant to pass on unconventional weapons to terrorist groups over which they cannot have full control; the governments may be tempted to use such arms themselves in a first strike, but it is more probable that they would employ them in blackmail than in actual warfare. Individuals and small groups, however, will not be bound by the constraints that hold back even the most reckless government.

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Society has also become vulnerable to a new kind of terrorism, in which the destructive power of both the individual terrorist and terrorism as a tactic are infinitely greater. Earlier terrorists could kill kings or high officials, but others only too eager to inherit their mantle quickly stepped in. The advanced societies of today are more dependent every day on the electronic storage, retrieval, analysis, and transmission of information. Defense, the police, banking, trade, transportation, scientific work, and a large percentage of the government's and the private sector's transactions are on-line. That exposes enormous vital areas of national life to mischief or sabotage by any computer hacker, and concerted sabotage could render a country unable to function. Hence the growing speculation about infoterrorism and cyberwarfare.

An unnamed U.S. intelligence official has boasted that with $1 billion and 20 capable hackers, he could shut down America. What he could achieve, a terrorist could too. There is little secrecy in the wired society, and protective measures have proved of limited value: teenage hackers have penetrated highly secret systems in every field. The possibilities for creating chaos are almost unlimited even now, and vulnerability will almost certainly increase. Terrorists' targets will change: Why assassinate a politician or indiscriminately kill people when an attack on electronic switching will produce far more dramatic and lasting results? The switch at the Culpeper, Virginia, headquarters of the Federal Reserve's electronic network, which handles all federal funds and transactions, would be an obvious place to hit. If the new terrorism directs its energies toward information warfare, its destructive power will be exponentially greater than any it wielded in the past—greater even than it would be with biological and chemical weapons.

Still, the vulnerability of states and societies will be of less interest to terrorists than to ordinary criminals and organized crime, disgruntled employees of big corporations, and, of course, spies and hostile governments. Electronic thieves, whether engaged in credit card fraud or industrial espionage, are part of the system, using it rather than destroying it; its destruction would cost them their livelihood. Politically motivated terrorist groups, above all separatists bent on establishing states of their own, have limited aims. The Kurdish Workers Party, the

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IRA, the Basque ETA, and the Tamil Tigers want to weaken their enemies and compel them to make far-reaching concessions, but they cannot realistically hope to destroy them. It is also possible, however, that terrorist groups on the verge of defeat or acting on apocalyptic visions may not hesitate to apply all destructive means at their disposal.

All that leads well beyond terrorism as we have known it. New definitions and new terms may have to be developed for new realities, and intelligence services and policymakers must learn to discern the significant differences among terrorists' motivations, approaches, and aims. The Bible says that when the Old Testament hero Samson brought down the temple, burying himself along with the Philistines in the ruins, "the dead which he slew at his death were more than he slew in his life." The Samsons of a society have been relatively few in all ages. But with the new technologies and the changed nature of the world in which they operate, a handful of angry Samsons and disciples of apocalypse would suffice to cause havoc. Chances are that of 100 attempts at terrorist superviolence, 99 would fail. But the single successful one could claim many more victims, do more material damage, and unleash far greater panic than anything the world has yet experienced.

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Chinese Realpolitik

Thomas J. Christensen

READING BEIJING'S WORLD-VIEW

SCHOLARS AND policy analysts seem almost obsessed with China's continuing rise toward the status of a great power. Debates rage about whether there is a "China threat" to East Asia or the United States, how to measure China's present military and economic power, and which trends best project China's growth into the next century. Less attention has been given to how Chinese government analysts view their own security environment. Because they influence the thinking of government decision-makers and are privy to their thoughts, an analysis of their views on security is valuable. By providing a better understanding of both China's baseline realpolitik view of international politics and two significant divergences from that baseline—Beijing's attitudes toward Japan and Taiwan—such a study can help contribute to a more prudent American East Asia strategy.[1]

China may well be the high church of realpolitik in the post–Cold War world. Its analysts certainly think more like traditional balance-of-power theorists than do most contemporary Western leaders and policy analysts.[2] For example, although China has not actively opposed multilateral humanitarian efforts, the rationales for international missions in Bosnia, Somalia, and Haiti are alien to the thinking of most Chinese analysts. They are also much less likely than their Western counterparts to emphasize political, cultural, or ideological differences

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with foreign countries. The United States considers the "enlargement of areas of democracy" a core element of its grand strategy, but China has made almost no effort, with the possible exception of its relations with North Korea, to export its ideas about "market socialism."

China is not interested in pressing either allies or rivals to comply with global norms of human rights. On occasion, it will return fire when a country criticizes its human rights record, but this seems purely tactical. It is hard to believe that Chinese elites are truly concerned with the plight of Native Americans, African-Americans in south central Los Angeles, or Turkish guest workers in Berlin. Chinese analysts raise these topics only when defending China from attack on human rights grounds.

China's elites are suspicious of many multilateral organizations, including those devoted to economic, environmental, nonproliferation, and regional security issues. In most cases, China joins such organizations to avoid losing face and influence. But Beijing does not allow these organizations to prevent it from pursuing its own economic and security interests. Chinese analysts often view international organizations and their universal norms as fronts for other powers. Particularly in times of tension with the United States, such as mid-1995 when the United States allowed Taiwanese President Lee Teng-hui to visit, they view complaints about China's violations of international norms or laws as part of an integrated Western strategy, led by Washington, to prevent China from becoming a great power. Many analysts, particularly those in the military, believe that criticisms by foreign governments and nongovernmental organizations are plots to keep Beijing off balance and encourage domestic forces bent on the overthrow of the Chinese Communist Party or the breakup of the country.

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[1]For this essay, I conducted dozens of interviews with military and civilian government analysts during three separate month-long trips to Beijing. These government think tank analysts are not decision-makers, but they advise and brief decision-makers in all relevant government organizations: the People's Liberation Army, the Foreign Ministry, the State Council, and the Chinese intelligence agencies. The research trips were hosted by the China Institute of Contemporary International Relations.

[2]I argue that, in general, Chinese security analysts think about their nation's security like Western scholars of realpolitik (e.g., E. H. Carr, Hans Morgenthau, and Henry Kissinger). One recent work argues that realpolitik thinking in China may have its roots in the dynastic era. See Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History*, Princeton: Princeton University Press, 1995.

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LANSNER/BLACK STAR

Never let down your guard: A 1993 billboard promotes China's unsuccessful campaign to host the Summer Olympics in 2000.

China has not been cavalier in its attitudes toward multilateral organizations; it has been concerned and vigilant for reasons consistent with a hard-nosed view of international politics. For example, in 1994 Chinese analysts seemed wary of the Association of Southeast Asian Nations (ASEAN) and its new security forum, the ASEAN Regional Forum (ARF). Civilian and military experts were concerned that after Vietnam's acceptance into ASEAN, the organization might become an expanded, tacitly anti-Chinese alliance with links to the United States. They have argued against trying to create a formal security regime in East Asia to parallel the Organization for Security and Cooperation in Europe. Their fear seems to have been that in a more formal ARF, China might play Gulliver to Southeast Asia's Lilliputians, with the United States supplying the rope and stakes. If ARF were to adopt specific norms of transparency and rules on force deployment, it might enable the region to monitor and limit the growth of China's ability to project power.

China has participated fully in ARF activities since 1994, and its attitudes toward the organization have clearly softened on a range of

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issues. But Beijing still seems reluctant to use the multilateral forum to settle sovereignty disputes in the South China Sea, where islets, subject to overlapping territorial claims by the People's Republic of China, Taiwan, Malaysia, Vietnam, the Philippines, and Brunei are sprinkled across a vast stretch of seabed believed to contain rich oil and mineral deposits. Since China is the most powerful claimant, its wariness about the potential formation of a local anti-Chinese coalition is fully in accord with traditional balance-of-power politics.

WATCHING JAPAN

CHINESE ATTITUDES toward Japan mix elements of realpolitik with less antiseptic emotions rooted in China's bitter history of occupation by Japanese imperialists. Chinese security analysts, particularly military officers, anticipate and fear Japan's renaissance as a world-class military power in the early 21st century. These predictions are consistent with balance-of-power theories but not with the analysis of many Japan experts throughout the West, who believe that cultural pacifism after World War II, domestic political constraints, and economic interests will steer Japan away from such ambitions. Chinese analysts do not always dismiss these arguments out of hand, but many believe those obstacles will merely delay Japan's long-term military buildup. The two related and most important delaying factors, in the minds of these analysts, are the U.S.-Japan relationship, particularly the security alliance, and the political and economic stability of Japan. They believe that the United States, by reassuring Japan and providing its security on the cheap, fosters a political climate in which the Japanese public remains opposed to buildup and the more hawkish elements of the Japanese elite are kept at bay. If, however, the U.S.-Japan security alliance either comes under strain or undergoes a transformation in which Japan assumes a much more prominent military role, then, Chinese analysts believe, the ever-present hawks could more easily foment militarization.

Realpolitik would predict that the one-sided U.S.-Japan alliance will collapse after the demise of the common Soviet enemy. But Beijing's dread of various scenarios for change goes beyond the abstract logic of balance-of-power politics. According to that logic, China should

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be at least as concerned about coercion or attack by the world's only superpower, the United States, as about the remilitarization of Japan. As Secretary of Defense William Perry recently reminded China, America has by far the strongest military in the western Pacific. If one considers only military power, one might expect China to welcome the ejection of American forces from Japan and the rise of a new regional power that, in collaboration with China, might counter American regional hegemony. One might argue that Japan's geographic proximity alone would make a new regional power more of a threat to China than the more distant United States. But having lost hundreds of thousands of soldiers fighting the American military in the Korean War, China is unlikely to consider the United States a removed power. In any case, a conclusion about which nation poses a greater threat to China—a distant superpower or a local great power—cannot be reached by Chinese analysts or Western scholars weighing the international balance of power alone. It must be based largely on historical legacies and national perceptions.

The real reason that Chinese military and civilian analysts are so afraid of a breakdown or a fundamental change in the U.S.-Japan alliance is a historically rooted and visceral distrust of Japan. Although they harbor suspicion toward the United States, they view Japan with even less trust and, in many cases, with a loathing rarely found in attitudes toward America. This is more a legacy of Japanese atrocities in the 1930s than a byproduct of contemporary Japanese power.[3] Like many other countries in the region, China seems grateful that America restrains Japanese militarization by guaranteeing Japanese security and replacing what would otherwise be Japanese aircraft carriers and marines with American ones. Although Chinese analysts are rarely so direct as to say that American forces should stay in Japan indefinitely, they are quick to say that they hope the United States will not leave anytime soon.

Through 1993 China's civilian and military analysts had similar takes on Japanese remilitarization. Japan's reemergence as a great power after World War II had been interpreted as the goal of a three-part grand

[3]For the classic study of China's attitudes toward Japan, see Allen S. Whiting, *China Eyes Japan*, Berkeley: University of California Press, 1989.

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strategy long pursued by the Liberal Democratic Party (LDP) leadership: first, become an economic superpower; next, a political superpower, by using increased economic aid and coercion and securing a Security Council seat; and finally, a significant military power that would vie for regional power and project force around the world. Many Chinese analysts were pessimistic about the ability of the U.S.-Japan security arrangement or domestic pacifism in Japan to prevent the timely completion of this long-term design.

In 1994 and 1995 this consensus seemed to break down in ways that may influence China's defense policy and international posture. Many analysts were influenced by Clinton administration pronouncements in 1994 and by the February 1995 Department of Defense East Asia strategy report, which underscored the importance for American post–Cold War strategy of the U.S.-Japan security alliance and the maintenance of at least 100,000 U.S. troops in the region. Some who had been skeptical about America's commitment to the region were reassured that the Soviet collapse and U.S. domestic politics were not going to render the remaining superpower isolationist and self-absorbed. Many Chinese analysts still agreed on the threat posed by the long-term goals of some Japanese elites, but the more liberal and moderate analysts in Beijing believed that, despite the domestic political shakeups in Japan, the desire for economic and social stability could dissuade Japan from launching any significant military initiatives, such as massive increases in defense spending or abrogation of the current Japanese ban on forces designed to project power more than 1,000 nautical miles from the home islands (e.g., aircraft carriers or aerial refueling planes). Also, these analysts seemed willing to believe that the U.S. military might be indefinitely engaged in the region, particularly in Japan.

China worries that a military buildup by Japan may be on the horizon.

Conservative Chinese analysts, many of whom are in the military, remained more skeptical about the durability of the American brake on Japan's military modernization. In 1993 and 1994, several of these analysts argued that the lack of a common enemy meant that Japan and the United States not only lost an incentive to cooperate in the

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western Pacific but gained an incentive to compete for economic and military influence in the region. They argued that the bilateral alliance would be poisoned by several factors: the effect of trade disputes and nationalist issues on domestic politics in both nations, the natural laws of international politics, and the zero-sum nature of Japanese and American rivalry in East Asia.

If U.S.-Japan relations fray, China will want to quickly brace its arms.

Since early 1995, Chinese security elites have found a new source of pessimism in the Clinton administration statements about "upgrading" or "strengthening" the U.S.-Japan defense relationship. If it were to occur, a U.S. withdrawal from Japan would still worry Chinese analysts most. However, America's presence in East Asia is only reassuring because it replaces—not strengthens—Japanese military forces. American efforts to improve Japanese defense technologies, introduce new weapons systems, and, most recently, encourage an expansion of Japanese roles in joint operations are perceived to undercut that role. The February 1995 Department of Defense East Asia strategy report received mixed responses from Beijing analysts. They seemed relieved that the United States set a formal floor for the size of its regional forces. However, they seemed worried by the suggestion that Japan and the United States might develop new weapons systems, including theater missile defense systems (TMD), that might counter China's deterrent capabilities against both Japan and Taiwan.

In the past, Chinese experts have worried about seemingly innocuous changes in Japan's defense policy, such as sending peacekeepers to Cambodia and minesweepers to the Persian Gulf. So the seemingly mild changes in policy that President Clinton and Prime Minister Ryutaro Hashimoto announced in the April 1996 U.S.-Japan communiqué—e.g., increased Japanese logistic support for American missions in the region and consideration of future cooperation on theater missile defense systems—triggered strong negative responses from Beijing. Chinese analysts argue that unless the U.S.-Japan alliance were to turn sharply against Beijing and seek to contain China, little upgrading would be needed. Moreover, they believe that new roles for the Japanese military would only encourage independence from the

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United States and the development of Japan's force projection capabilities. One Chinese military analyst warned against American efforts to strengthen Japan's defense capabilities by citing a traditional Chinese expression, *yang hu yi huan*, which means, "When one raises a tiger, one courts calamity."

Whether or not they believe American abandonment or encouragement might spark Japanese militarization, few Chinese military or civilian analysts seem to believe that Chinese behavior could have much effect on the timing or intensity of a Japanese military buildup. Chinese analysts seem incredulous that Japan, given its history of aggression toward China dating back to the 1890s, could sincerely view China as a threat and alter its defense policy accordingly. If the current U.S.-Japan security relationship seems to be in trouble, there is likely to be a widening consensus among Chinese analysts that China should quickly build up its military power and settle various sovereignty disputes in the East and South China seas, by force, if necessary. Otherwise, China would have much less leverage against a Japanese navy and air force that is larger and could project power effectively into those areas. Chinese analysts realize that if Japan decided to strengthen its military capabilities its technological and economic base would allow it to do so quickly. They point to Tokyo's ongoing investment in defense-related technologies and to its defense budget, which is small as a percentage of GNP but second only to America's in absolute size. Although outside observers might believe that China would be creating a self-fulfilling prophecy by anticipating an eventual Japanese buildup and threatening Japanese interests in the near term, most Chinese analysts do not believe China's behavior will affect Japanese policy. Consequently, Beijing is unlikely to factor Japanese fears of China into its policy equation.

Chinese analysts vary widely in their degree of pessimism about the likely pace and intensity of Japanese militarization, but there is a basic consensus that Japanese power would be more threatening than American power and that the status quo in the U.S.-Japan security arrangement—without upgrades—is desirable. This view is not immutable, however, and when the United States appears to be threatening core Chinese security interests, particularly the one-China policy barring Taiwanese independence, the U.S.-Japan alliance is perceived

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in a different light. In the summer of 1995, after Taiwanese President Lee Teng-hui's visit to Cornell University, Chinese analysts began to view the United States and Japan as collaborators in an attempt to break Taiwan away from the mainland. Suddenly American forces were not guarantors of Japanese restraint but instruments of tacit Japanese designs on China. The deployment of two U.S. aircraft carrier battle groups to Taiwan during Chinese missile exercises in March (including the *Independence*, based in Yokosuka, Japan) almost certainly affected Beijing's negative reaction to President Clinton's April trip to Japan and the resulting U.S.-Japan communiqué.

WORRYING ABOUT TAIWAN

ANOTHER AREA where realpolitik alone cannot account for Beijing's security attitudes is China's violent opposition to Taiwan's legal independence. China will almost certainly use force against Taiwan or Taiwanese interests (for example, shipping and offshore islands) if Taipei actively seeks independence. China will act even if it means damaging its profitable trade and investment relations with Taiwan, and it will do so regardless of the level of the U.S. military commitment to Taiwan's security. Since realpolitik would suggest attention to political realities, not legalities, it is puzzling why the change from de facto independence, which Taiwan has had since 1949, to legal independence would drive China to risk damage to its economy and war with the world's only superpower. But there is convincing evidence that China is prepared to do just that.

In China's century of humiliation, which began with a loss to the British in the Opium War and ended with the surrender of Japan in World War II, no event was more demeaning than the 1895 defeat at the hands of Japan, after which Taiwan was ceded to Tokyo. For the traditional Chinese state, it was degrading enough to be vanquished by "barbarians" from far-off lands like Britain and France. But given China's historical superiority to its tributary neighbors, succumbing to a local power was a much greater blow. Although Taiwan had little material value for China at the time, it became a symbol of this national tragedy. For Chinese, the return of Taiwan to China after World War II, as promised by the United States and Britain in the 1943 Cairo

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Declaration, was also a symbol of China's considerable contribution to the death of Japanese imperialism. Rectifying the century of humiliation is a core nationalist goal for any modern Chinese regime, and that means preventing the loss of Taiwan.

Preventing Taiwan's independence would be important to any Chinese regime, but it is a critical nationalist issue for the Chinese Communist Party government. The party has, by way of market reforms, all but obliterated the second of the two adjectives in its name. Almost no influential figure in Chinese government or society believes in communism anymore, and that has created a vacuum that nationalism, always a strong element in the party's legitimacy, is filling. As many analysts have noted, nationalism is the sole ideological glue that holds the People's Republic together and keeps the CCP government in power. Since the Chinese Communist Party is no longer communist, it must be even more Chinese.

As continuing economic reforms and exposure of the Chinese people to Western ideas and international news cut ever more deeply into CCP legitimacy, there are few issues left that do not trigger debate and exacerbate tensions between the state and society. Yet in all sectors of politically aware Chinese society a consensus remains on the legitimacy of using force, if necessary, to prevent Taiwan's independence. On that issue one is almost as likely to hear a hawkish reaction from scholars who protested in Tiananmen Square in 1989 as from a military officer who fired on them.

Chinese leaders will go to extraordinary lengths to prevent Taiwan's independence in part because they fear a national breakup. Chinese analysts believe that national integrity would be threatened by an uncontested declaration of Taiwanese independence, especially because of the decades of propaganda about Taiwan's unbreakable links to the motherland. They subscribe to a domestic domino theory in which the loss of one piece of sovereign territory will encourage separatists elsewhere and hurt morale among the Chinese forces who must defend national unity. Their most notable concerns are with traditionally non-Han regions such as Tibet, Xinjiang, and Inner Mongolia.

Not surprisingly, People's Liberation Army officers are even more hawkish than civilian analysts on sovereignty issues, particularly Taiwan. To justify increasing military budgets after the collapse of the Soviet

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Union, which was regarded as China's main military threat, the army needs a mission, and defending sovereignty is not a hard sell. On political grounds, tensions with Taiwan make the military even more important in the succession struggles that will follow the death of Deng Xiaoping. Although few China experts in the West expect a military coup, almost all believe that the military will play kingmaker. Gaining early military support and avoiding opposition from the military should prove critical to any leader hoping to succeed Deng.

China's military wants to regain the pride it lost at Tiananmen.

PLA leaders, particularly the influential officers living in and around Beijing, also desperately want to regain their social standing after the Tiananmen massacre. Almost all PLA officers believe that the pro-democracy protests should have been suppressed forcibly, but several expressed embarrassment over the level of force used and the damage to the military's image. Chinese military officers, like professional soldiers around the world, take pride in their work. The chance to show that their main mission is defending national integrity, not shooting unarmed civilians, will not be forfeited lightly.

One may get the impression that civilian leaders will grapple with Taiwan as a central issue if there is a succession struggle following Deng's death. Although attempts to endear themselves to the military and hard-liners may make economically oriented technocrats more macho and nationalistic, the jockeying is more likely to manifest itself in their attitudes toward the defense budget, the Spratly Islands disputes, or Western criticism of Chinese human rights violations than in their opposition to Taiwan's independence. Strong differences of opinion apparently have formed between more moderate and more hawkish Chinese over the wisdom of using military exercises to deter Taiwan from pursuing independence. Many elites apparently had strong reservations about the last and most provocative round of exercises in March, before the Taiwanese elections. But these differences would likely disappear if Taiwan appeared to be on the brink of declaring independence. In that case a broad consensus, including dovish liberal technocrats as well as hawkish conservatives, would likely form around a hard-line policy.

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Succession struggles are not meaningless, however. The political process may make China more sensitive about what constitutes a significant move toward independence by President Lee Teng-hui's government. Taiwan's self-styled "pragmatic diplomacy" has been presented publicly as a bid to increase the island's diplomatic space and recognition without abandoning the one-China principle that Taipei has so strongly adhered to since 1949. But Beijing believes that Lee is tacitly pursuing independence. Chinese analysts say that Lee has not said so in public for purely pragmatic reasons, the most important of which is the threat of violent retaliation from the mainland. When nerves are raw in Beijing and succession politics are under way, Taipei must be very careful not to take actions that might seem mild in Taipei and elsewhere but might be interpreted in Beijing as significant advances toward independence.

IMPLICATIONS FOR U.S. POLICY

By keeping American forces in Japan, the United States can simultaneously reassure Japan and its major potential rival, China, and thereby stabilize the region. Washington should do more than stay engaged; it should reassure Japan and other regional powers publicly and often that it intends to do so indefinitely. Any suggestion that the United States might withdraw its forces from Japan may set off an arms race, escalating tensions, and self-fulfilling prophecies about Japanese militarization, all of which will destabilize the region. Chinese security analysts watch closely what the United States says about its relationship with Japan, and the division between Chinese conservatives and moderates is most visible in predictions about the hardiness of the current U.S.-Japan defense arrangement. Anything that underscores America's long-term commitment to protect Japan with American forces will have a positive impact on China and helps the moderate analysts sell their message of stability and optimism to CCP leaders. Anything that suggests either fragility or fundamental reform in the U.S.-Japan security relationship has a negative impact on China and helps conservative, hard-line analysts sell their portrayal of a threat from Japan and prescriptions for a tougher Chinese security posture. For example, any linkage of the U.S.-Japan security arrangement with

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reduction of America's trade deficit with Japan would be irresponsible because it would quickly be interpreted in Beijing as an omen of discord in the U.S.-Japan alliance. Encouraging Japan to take on more military roles also may not be a good short-term strategy. For example, the United States should weigh carefully the political cost of U.S.-Japan TMDs against their military benefits. The political implications should be taken at least as seriously as the political costs of ballistic missile defenses and scrapping the Antiballistic Missile Treaty for America's Russia policy. Since China, like Russia, is in a transition period, U.S.-Japan TMD should be considered using a similar type of cost-benefit analysis.

Democracy is served by having Taiwan remain nominally part of China.

The United States should make a clear distinction between its general goal of spreading democracy and its policy on Taiwanese sovereignty. Taiwanese democracy and Taiwanese independence are logically and morally separate issues. The United States should support the former and distance itself from the latter. Indeed, if the United States wants to spread democracy, it should encourage Taiwan to remain nominally part of China. When Taiwan claims to be both Chinese and democratic, it puts the lie to Beijing officials' claim that Chinese culture and Western-style democracy do not mix. In the "enlargement" strategy of the United States, China is a prize 55 times larger than Taiwan. American idealists should not be myopic and settle for current Taiwanese independence at the expense of future Chinese democracy.

Until tensions settle down, both in relations between Taipei and the mainland and in the succession politics of Beijing, Washington should discourage President Lee from aggressively pursuing his pragmatic diplomacy agenda. For example, Washington should not only refuse to support Taiwan's bid for entry into the United Nations, it should discourage Taipei from vigorously pursuing that goal in the near term. The United States should provide a guarantee of support for Taiwanese security, including direct American intervention if necessary, but this guarantee should be conditional: Taiwan's democracy will be assisted only if it does not provoke an attack by moving toward formal independence.

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Even generally hawkish military and civilian analysts in Beijing have firmly stated that the current Chinese government would never attack Taiwan out of the blue, so it would be fair to deduce that a reversal in this policy would carry grave implications. A China that would launch an unprovoked, military reunification campaign that violates its own economic and political interests would have to be a radically more aggressive China. The United States would have to contain such a China vigorously or expect to face it in battle soon. For either of those tasks, Taiwan is a better platform than most.

If, however, Taiwan takes provocative diplomatic steps toward a more independent legal status, the United States should let Taiwan know unequivocally that it will also stand alone in security matters. Taiwan and the United States stand to lose too much in a fight against the mainland, particularly for the mere purpose of transforming a de facto reality—Taiwan's independence—into a legal one. If Taiwan declared independence and was then attacked by the mainland, one could not draw conclusions about Beijing's expansionist designs any more than one could draw conclusions about American expansionism from the northern states' reaction to the South's secession. If Taiwanese independence provokes the attack, Taiwan could hardly be portrayed as China's Sudetenland, and American aloofness could not be compared to Chamberlain's appeasement at Munich.

Taiwan should not provoke an attack just to transform a de facto reality into a legal one.

Some American security analysts believe that Taiwan is a logical place for Washington to draw the first unconditional containment line around any potential Chinese aggression. Taiwan is, as MacArthur said long ago, an unsinkable aircraft carrier, and it has a strong military and economy with which the United States could join forces. But if the United States were to draw a line in the Taiwan Strait now and offer unconditional assurances to Taiwan, this would encourage Taiwanese independence and spark hypernationalism in China, creating just the kind of expansionist, hard-line regime in Beijing that America and everyone else in the region fear.

On military grounds alone, Washington should recognize that, while Taiwan may be an unsinkable aircraft carrier, it is also an im-

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movable one. Although China probably could not invade Taiwan successfully even if America stood on the sidelines, the United States can do little to defend Taiwan from attacks that, though a far cry from invasion, would devastate its economy. China can use force effectively against Taiwan without the slightest pretense of a D-Day–style invasion. The mere announcement that shipping around Taiwan was no longer safe from assault would cripple Taiwan's trade-dependent economy. If a few missiles landed in Taipei, the stock market there would likely crash. The drop in Taipei stocks from the first P.R.C. missile exercises last July to the last round of exercises preceding this year's March 23 elections testifies to the danger of even limited threats, let alone force.

In March the Clinton administration may have finally found a balance in its policy toward the dispute over Taiwan. Although the current leadership in Beijing was almost certainly not preparing to attack Taiwan even if America stood idly by, Washington's deployment of two carrier battle groups to the area sent a long-term signal to any hypernationalists in Beijing who might vie for power after Deng's death: the cost of an unprovoked attack on Taiwan will likely be high. At the same time, the United States avoided the politically provocative and militarily imprudent option of placing carrier battle groups in the Taiwan Strait itself.

Although it received far less news coverage than the deployment of the carriers, an equally important message was apparently sent to Taiwan through back channels and carefully worded public statements by high-level administration officials: Washington supports Taiwan's security conditionally, and it expects Taipei to avoid provoking the mainland. While the United States cannot and should not dictate policy to the democratically elected government of Taiwan, it should stress the dangers and costs of certain options so that Taiwanese officials do not base their strategic policies on misperceptions and false hopes of unconditional U.S. support.

The United States should not limit its regional role to helping Taiwan defend against unprovoked attack. Instead, it should continue to commit itself to the peaceful settlement of the sovereignty disputes in the South China Sea. The United States need not and should not take sides there, but it should guarantee peaceful resolutions.

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By doing so, the United States is not "containing" China, it is protecting international sea-lanes in the region.

This policy is more prudent than a containment policy and an unconditional commitment to Taiwan's security. Beijing's claim to the Spratly Islands does not carry the same emotional baggage as its claim to Taiwan. By adopting a neutral stance on the sovereignty disputes, the United States would reduce the risk of appearing imperialistic and fueling Chinese hypernationalism. Most important, the United States would be taking actions with the express purpose of protecting Japan's sea-lanes. A large percentage of Japan's trade and the majority of its oil imports from the Middle East pass through those international waters, and keeping them open and safe is a vital security interest for Japan. If the United States explained to China and all other regional actors that the alternative to U.S. Navy patrols would be Japanese navy patrols, the message probably would not fall on deaf ears.

America has huge stakes in the political transitions of China and other East Asian nations. By remaining engaged in the region and rejecting short-sighted strategies such as a Cold War–style containment policy toward China, the United States will improve the odds that China's next generation of leaders will be moderate at home and abroad. As the differences between Deng Xiaoping and Mao Zedong make clear, leadership matters, especially in nondemocratic countries. Chinese elites' current realpolitik tendencies are infinitely preferable to the messianic versions of Chinese nationalism that might come to the fore if the United States, Japan, or other powers treat Beijing as an enemy. By engaging China and encouraging its participation in multilateral forums and confidence-building regimes, over the long term the United States may help soften China's skepticism about these institutions, which could help stabilize East Asia.

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The Middle East: No More Treaties

Richard N. Haass

BETWEEN PEACE AND WAR

IT HAS been a remarkable five years in the Middle East. Beginning in October 1991, when Arabs and Israelis first met face to face in Madrid, it went on to include two Israeli-PLO accords, an Israeli-Jordanian peace treaty, two grand regional economic conferences, the repeal by the U.N. General Assembly of the 1975 resolution equating Zionism with racism, serious peace negotiations between Israel and Syria, and decisions by several Arab states and many other governments around the world to establish diplomatic relations with Israel. For the first time in modern history, it did not sound foolish to speak of solving the Middle East problem.

That era, if five years can be said to qualify as an era, is over. Several factors account for this abrupt end, not just the June 1996 election of a more conservative Israeli government. Indeed, the era of treaties in the Middle East might well have come to an end even if the Labor government of Shimon Peres had triumphed at the polls. The inability to conclude new treaties will have profound consequences for both the peace process and peace itself. But the end of the era of treaties does not have to lead to the demise of either peace or the peace process if the parties and diplomats involved do not act as if nothing has changed or everything is lost. What is called for is a new approach to diplomacy, one more modest in what it attempts but no less demanding in what it will require.

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FROM MADRID TO OSLO

WHAT MADE the era of treaties and other agreements possible, above all, was the end of the Cold War and the trauma of the Persian Gulf War. Arab governments lost their Soviet benefactor, and Iraq, the center of secular Arab radicalism, was thrashed on the battlefield. Meanwhile, most Arab governments came to accept Israel as a permanent, if not welcome, reality. Palestinians faced two additional problems: the PLO lost its Arab financial backers in the Persian Gulf region when it made the mistake of backing Saddam Hussein in his bid to conquer Kuwait, and the Palestinian uprising, or intifada, was losing steam.

The result was a decision by all of Israel's immediate neighbors and by Palestinians living in the West Bank and Gaza to attend the October 1991 Madrid peace conference. Israelis, meanwhile, saw Madrid as a way out of the costs and burdens of occupation. Moreover, during the gulf war Iraqi Scuds underlined Israel's vulnerability to a new generation of weapons. Syrian acceptance of the U.S.-Soviet invitation to attend the peace conference put Israel's Likud government on the political defensive, a position it did not want to be in when American primacy was so pronounced.

By contrast, the failure of post-Madrid diplomacy made possible the 1993 Oslo agreement, which gave Palestinians effective control of Gaza and Jericho, and its 1995 successor, which extended Palestinian authority to the major cities of the West Bank. Neither Yitzhak Shamir nor Yitzhak Rabin had been able to strike a deal with Palestinian "insiders," who proved both unwilling and unable to negotiate in the absence of explicit participation by the PLO. What made Oslo possible was Israeli willingness to accept the PLO as a negotiating partner, along with the PLO's willingness to accept a step-by-step process with no guarantee of where it would end—and a shared perception that both sides would have to take matters into their own hands, given that the United States no longer appeared to be an active and forceful mediator.

The first Oslo agreement, signed on the South Lawn of the White House in September 1993, also yielded a formal peace treaty between Israel and Jordan as an unexpected dividend. What prompted the October 1994 treaty was a change in Jordan's political calculus: it would

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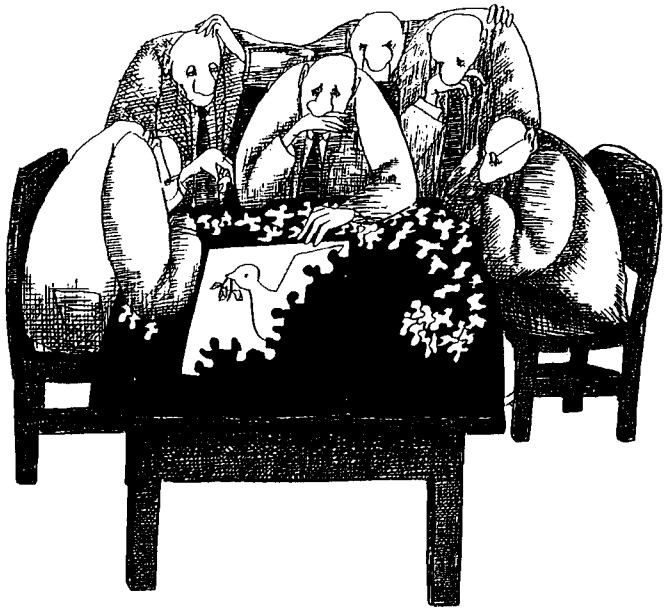

CARTOONISTS & WRITERS SYNDICATE

lose all influence over the future of Jerusalem and the Palestinians unless it entered into a peace treaty with Israel. In addition, Yasir Arafat's and the PLO's open willingness to come to terms with Israel made such a step for Jordan's monarch less risky.

Is there any chance of further treaties? For the next five years, the short answer is no. Israel and the PLO began "final status" talks just before Israel's recent election. The goal is to complete these talks and sign a treaty in three years, by May 1999. There is no conceivable way this goal will be met. The issues of final status are the most difficult: Jerusalem, Palestinian control of territory and statehood, the right of millions of Palestinian refugees to return home, and water. These issues would be difficult and perhaps impossible to negotiate even if all sides had the will to do so. It is instructive to recall here that the relatively dovish Shimon Peres, Israel's prime minister in the aftermath of Yitzhak Rabin's assassination, reportedly balked at a final status blueprint negotiated by one of his senior lieutenants and an aide to Yasir Arafat. Although Peres may have had his own reasons for doing so—he opposed the separation of the Israeli and Palestinian peoples implicit in the plan and was concerned about allowing that track to get too far out in front of Israel's negotiations with Syria—it also suggests

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that gaining Israeli and PLO agreement on final status, as well as popular backing for it, would have been a monumental task.

Today, there is neither the will nor the ability to conclude an Israeli-Palestinian final status agreement—that is, peace. The PLO leadership fears it will lose support and, in the end, legitimacy, if it is seen to compromise important political goals. There is the additional fear that Hamas and other Islamic radical groups would gain at the expense of the PLO if anything were done to weaken the Palestinian claim to Jerusalem. It is often safer to espouse dreams that are whole than to accept inevitably incomplete realities. For its part, the new Likud government of Benjamin Netanyahu campaigned on a platform, subsequently enshrined in government guidelines, that opposes a Palestinian state, the right of return for Palestinian refugees, and any dilution of exclusive Israeli sovereignty over a united Jerusalem. For Israelis, too, it is politically less risky to live with an imperfect status quo than to contemplate controversial alternatives.

Past agreements have made the need to compromise less urgent.

Prospects are even bleaker for a treaty between Syria and Israel. The new Israeli government has been explicit in its intention to maintain sovereignty over the Golan Heights and in its refusal to return all of the territory gained in the 1967 conflict. The Likud's notion of minor agreements in exchange for peace and some normalization appears unrealistic. There is no evidence that Syrian President Hafiz al-Assad is prepared to accept half a loaf when he rejected the Rabin government's position of offering most or even all of the area in exchange for peace, security arrangements, and a degree of normalization. Indeed, Assad's priority may be keeping power for himself and the minority Alawite sect that runs Syria. Arguably, maintaining Israel as an adversary and keeping Syria closed to the outside world serves these ends better than would peace.

Similarly, there is no chance of an agreement between Israel and Lebanon. Lebanon is not an independent actor. Syria, which continues to maintain thousands of forces there and would be in a position to intimidate the Lebanese even if it did not, will not permit a separate peace between those two countries. No amount of Israeli inducement, not even a withdrawal from southern Lebanon, could bring about an agreement.

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There are also more general explanations for the poor prospects for peace agreements. The close outcome of the recent election underlined that Israel is a divided country. It is impossible to define what mandate, if any, Netanyahu can rightfully claim. He got elected by tapping Israeli frustration with a peace that did not deliver absolute security. But it was not absolute insecurity either—more Israelis were killed in traffic accidents than by terrorist acts in the first half of 1996—and there is no reason to conclude that less peace will bring more security.

The new Israeli government, or at least the prime minister, should be in place for four years, given changes in Israel's electoral law that will work against attempts in Israel's Knesset to vote no confidence and force an early election. Some observers believe that Netanyahu will prove far more pragmatic in governing than he proved in opposition or in a previous stint as deputy foreign minister in the Shamir government. One often hears the parallel of Richard Nixon going to China. But unlike Nixon, who before assuming office wrote that the United States needed to engage China, Netanyahu has not shown a readiness to change. Netanyahu may go to China, but he is unlikely to go to Syria.

There are also factors in the Arab world that will make reaching any new agreements difficult. Egypt, the first Arab state to make peace with Israel, is doing little to build bridges to its neighbor, working instead to placate domestic critics and regain a position of leadership in the Arab world. King Hussein of Jordan enjoys little support at home for engagement with Israel. The gulf states face increasing economic problems and are distracted by internal political challenges and the threats posed by Iran and Iraq. Indeed, homegrown Islamic groups and their external benefactors will discourage further normalization or compromise with Israel.

Agreements that have already been reached further reduce the prospects for treaties. There is less urgency now than before. The status quo is better than it was five years ago and is in many ways tolerable—possibly more tolerable than the risks of compromise. Similarly, the passage of time has hurt the prospects for peace. The psychological impact of the demise of the Soviet Union and the outcome of the Persian Gulf War has waned. So, too, has the stature of the United States. Somalia, Bosnia, a secretary of state more familiar than feared,

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an administration and a Congress seen as overwhelmingly pro-Israel—all have made it easier for local parties to go their own way.

There is an obvious danger in all this. The current situation in the Middle East—armed deterrence between Israel and Syria, together with a patchwork quilt of Palestinian population centers, Jewish settlements, and Israeli-controlled land—is neither stable nor sustainable. Syria and Israel must communicate even if they do not negotiate, much less agree. And autonomy must continue to grow in both breadth and depth, or the current modus vivendi will collapse.

The collapse would be costly. Palestinians would suffer a loss of autonomy, increased economic hardship, and a future of open-ended occupation. But it would be no better for Israelis, who, in addition to facing the expense of occupation and increased terror, would forfeit a chance to gain economic access to the region. Fewer resources would be available to focus on the emerging and ultimately more worrisome threats to Israel's security posed by Iran and Iraq. A radicalization of Palestinian and Israeli politics alike would result; any chance for peace would be postponed if not destroyed. A deterioration in Israeli-Syrian relations could have equally serious consequences. Another war between these two antagonists could well involve weapons of mass destruction. Urban areas could become battlefields; civilians could become combatants. And even if this nightmare did not materialize, a conventional war would still involve staggering human and financial costs on both sides. But it would be wrong to equate poor or even negligible prospects for agreements with an end either to the peace process or to peace itself. At a minimum, history shows that, thanks to deterrence, it is possible to maintain "no war, no peace" for extended periods. There is a level or plateau between a solution and peace on the one hand and collapse and conflict on the other. Establishing such a plateau and making it stable ought to be the purpose of the next era of diplomacy.

DIPLOMACY FOR A NEW ERA

IT MAY help to think of Middle East peace over the past five years as a stock whose price has soared: a correction is inevitable. The goal of American diplomacy ought to be to minimize the size of the correc-

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tion and avoid giving back all the hard-earned gains. Succeeding in this effort will demand accepting the notion that diplomacy can still achieve progress in the absence of treaties and other formal agreements. Formal pacts are just one tool of diplomacy, not a synonym for it. Three alternatives stand out: unilateralism, confidence-building measures, and signaling. All three can and should be used, to avert the worst and even to bring about some gain.

Israel and the Palestinians should focus on a mixture of unilateralism and confidence-building measures to implement and supplement existing agreements. Palestinians currently control day-to-day life in Gaza and all the principal West Bank cities except Hebron. Israel and the Palestinians have joint responsibility for roughly 450 villages and towns that comprise one-fourth of the occupied territories. Israel still has sole control of the remaining two-thirds, an area that includes the bulk of its settlements, military installations, and so-called state lands. In October 1995, the second Oslo agreement called for further Israeli withdrawals from this last territorial zone at regular intervals. Accomplishing just that would be an important confidence-building measure. Similarly, Israel could transfer greater control of towns and villages to the Palestinians. Steps short of the agreed division and transfer of authority in Hebron—the issue with the greatest potential to trigger a crisis in Israeli-Palestinian relations—should go ahead if the Netanyahu government refuses to implement the full Oslo II approach. The result would be a series of de facto Oslo IIIs, a form of evolving autonomy. These efforts need to be buttressed by increased contacts and exchanges in the business and academic worlds and by easing the travel restrictions and closures that limit the opportunity for Palestinians to travel to Israel to work.

The Middle East is like an overvalued stock: a correction is inevitable.

For its part, the Palestinian leadership must do everything possible to deal with the security threat to Israel. No one can expect 100 percent success—Netanyahu is wrong when he says that "peace means the absence of violence"—but Israel has every right to expect 100 percent effort. Palestinian leaders should resist calls for a new intifada. Here Israel can help its own case. Israel is more likely to get what it wants in the way of the antiterrorist coooperation in a context

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of increasing rather than contracting autonomy. Such a context would make sustaining popular support for tough measures while diminishing the appeal of radicals easier for the Palestinian authority.

Confidence can also be built by what is not done. Israel should resist the temptation to cast aside the PLO to work with Jordan on resolving Palestinian matters. That would not work, and it would almost certainly provoke violence on the Palestinian side and weaken the position of King Hussein. If the PLO is to be weakened or replaced by something better (and not, for example, Hamas), it will have to happen through the ballot box.

Israel should threaten Syrian forces to deter attacks by Hezbollah.

Settlements are another potential flash point. Palestinians see them as unilateral action by Israel that prejudices final status and renders negotiations meaningless. To allow for modest growth in existing settlements is one thing; to accelerate their growth dramatically or to start new ones is quite another. A decision to expand settlements would almost certainly lead to a breakdown of all talks and renewed violence—particularly in the absence of any good-faith effort to achieve progress toward peace. Netanyahu suggested during his July 9 White House press conference with President Clinton that his government could not be expected to conduct less settlement activity than the Labor government he replaced, which increased the settlement populations by between five and ten percent a year. This may be so, but it is no less true that Palestinians and the U.S. government were prepared to look the other way during Labor's tenure only because they had confidence in its commitment to a fair peace.

Lebanon could well be an opportunity for unilateralism. Israel's aims in Lebanon are security-related, not territorial. No mention of Lebanon per se is to be found in the new government's guidelines. The Israeli military presence in the south of Lebanon has failed to deter rocket attacks against northern Israel. Moreover, Israeli forces themselves have increasingly become a target of Hezbollah attacks. Israel could simply pull its forces out. Withdrawal from Lebanon would reduce the vulnerability of Israeli forces and give Israel a major diplomatic accomplishment. It would put pressure on Syria and Iran to halt their interference in Lebanon's internal affairs and to stop

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arming—or, better yet, disarm—Hezbollah, something that would reduce the chances for both renewed fighting in Lebanon and conflict between Israel and Syria.

With or without such a unilateral step, Israel should make clear to Syria that it will be held accountable for Hezbollah's actions in Lebanon. Syria is the dominant force in Lebanon, and Hezbollah continues to operate there thanks not only to Syrian tolerance but to its active support. Arms regularly go through Syria on their way from Iran to Lebanon and Hezbollah. What Netanyahu should not do is repeat the error of the Peres government, which was to respond to Hezbollah attacks on northern Israel by attacking the Lebanese people. Instead, Israel should retaliate against any Hezbollah target that can be reached and communicate to Damascus that it is even prepared to attack Syrian forces in Lebanon and interrupt Syrian support for Hezbollah. Such action would risk widening any conflict, but such clarity might influence Syrian behavior and thereby help avert war. Israel's only alternative is to accept the politically unacceptable: mounting attacks on its citizens from Lebanese territory.

Similarly, Israel should signal Syria regarding any red lines involving common water resources. There is no need to try to negotiate a specific accord with Syria, which would be impossible given Assad's refusal to entertain such normalization. But Israel can communicate its expectations and the consequences of Syria's diversion of more than a stated percentage of the water.

ADAPTING TACTICS, NOT PRINCIPLES

THE UNITED STATES remains the critical outside actor in the region. Russian cosponsorship of the Madrid peace process is mostly a gesture, while Europeans, whether individually or through the European Union, have little to offer beyond economic assistance. To remain effective, however, the United States needs to alter its approach to the Middle East. It would be futile to carry on as if nothing had changed. Moreover, to do so would bring with it a considerable opportunity cost. There is only so much time and energy for the president and his top aides to devote to foreign policy, and it is impossible to argue that two dozen more visits to Syria would

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be more useful to U.S. national security than spending that time consulting with leaders in Japan, China, Russia, and India. Even in the Middle East, other issues, including dealing with Iraq and Iran and helping states contend with internal political and economic challenges, deserve more attention from senior U.S. officials than does the traditional peace process.

Any time that senior officials devote to the peace process should involve limited but potentially feasible efforts. This is not a moment for drama. Washington should counsel restraint, promote confidence, and support continued Palestinian participation in final status talks. It would mitigate despair to remind the two sides that they were never likely to meet the three-year goal—not a deadline—for agreeing to final status. The United States should work to help make the Palestinian entity more democratic, a worthy outcome in itself that would also increase Israeli willingness to negotiate. U.S. counsel would be taken more readily if it were accompanied by economic help, be it direct, in the form of generous amounts of assistance, or indirect, as investment guarantees.

What the United States should not do is compromise its basic beliefs. It is one thing to adapt tactics to a changed circumstance, quite another to adapt principles. Consistency will pay off. It will help persuade Palestinians that moderation can still work. It will lead Israel to consider the consequences before departing from existing policy. And it will make it easier for the United States to sustain cooperation with moderate Arab states such as Saudi Arabia and Egypt. Toward these ends, the U.S. government should speak out when it disagrees with what any party says or does. The United States retains considerable moral authority, something that must be used if it is not to be squandered. Washington should oppose violence and lean on Palestinians when they fail to do what they can to stem it. The United States should oppose increased settlement activity; it is not a question of legality but of practicality. Washington should also oppose any Syrian support for terror, including the facilitation of Hezbollah activities in Lebanon, and keep Syria on the list of state sponsors of terrorism until it changes its behavior. Going further than that, as urged by those who would treat Syria the same as such rogues as Iran and Iraq, is not without real risks, however. If Syria could be a better citizen, it

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could also be much worse, creating crises in southern Lebanon and undermining moderate Palestinians.

The United States should not walk away from its historical commitment to the notion of territory for peace. The reason is not to engage in an endless round of theological debates—the phrase is shorthand for a series of tradeoffs that must include security for Israel—but to buttress a process that will survive as much on perceived potential as it will on actual results. There is no other basis for negotiations between Israel and Syria, if and when they are resumed. And there must be a territorial basis for Palestinian nationalism. This will probably mean something that is more than autonomy but less than a full-fledged state. Israel must come to accept that status if it wants to be predominantly Jewish, truly democratic, and relatively secure. The new prime minister says it is a goal to make Israel more normal and, like his counterparts in other countries, to focus on economic issues. That can happen only if Israel continues to support a legitimate process toward normal coexistence.

The informal approach to diplomacy advocated here has its advantages. It is realistic and does not waste time seeking the impossible. It minimizes the need for intense negotiations. It avoids the requirement of submitting controversial agreements to uncertain and often critical political processes. This is not to diminish the value of treaties or other agreements. On the contrary, they are highly useful in locking in progress. The Egyptian-Israeli peace, however cold, is far more resistant to the passions of the day than would be informal understandings. What is more, the time may come when it is again possible to negotiate agreements in the Middle East. There could, for example, be political evolution in Israel, such as a National Unity government in which Netanyahu would replace some of his current associates with more moderate Labor Party leaders, or a successor Labor government. There could be a change of leadership in Syria. The Palestinians could become more democratic and more willing to compromise. Diplomacy would have to be reoriented if such developments should come about. An ambitious, high-profile initiative might be called for. Until then, however, the United States will need to content itself with something more modest, if only to avert something far worse. In the new Middle East, the best is not only the enemy of the good, it is the enemy of peace.

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Why Yeltsin Won

Daniel Treisman

A RUSSIAN TAMMANY HALL

BORIS YELTSIN'S rise from the depths of unpopularity to win Russia's presidential election July 3 is one of the most surprising feats of recent political history. As of January, only six percent of voters planned to support the incumbent—fewer than half the number intending to vote for his main rival, communist leader Gennadi Zyuganov. Yeltsin's victory broke a pattern observable across almost all the postcommunist democracies of Eastern Europe, in which disenchanted voters rejected the first crop of reformers when they stood for reelection. And it confounded the expectations of a long string of early doubters, ranging from Russian and Western journalists, CIA analysts, and some of the president's closest aides to—by her own admission—his wife, Naina.[1]

How did Yeltsin beat these odds? Public opinion polls cast doubt on the explanations that have been offered in the press both inside and outside Russia.[2] The conventional wisdom—as after any unexpected election victory—is that the candidate conducted an extremely intelligent and professional campaign. But was it really? Handicapped by internal feuding, run at one point from five competing power centers, and lavishly overspending on advertising, the campaign continually seemed to risk falling into the overconfident, patronizing, or office-exploiting style that had undermined pro-government blocs in previous Russian elections. Nor could Yeltsin's victory be attributed to favorable economic trends. During his first term, GDP fell 50 percent, income inequality and unemployment grew, and hyperinflation wiped

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out many families' savings. Although real incomes picked up a little in the spring—rising four, five, and three percent in February, March, and April, respectively—they fell again by five percent in May before the election's first round, held June 16.

Some observers credited Yeltsin's victory to a series of subtle television advertisements in which ordinary people told their life stories and explained why they planned to support the president. However well-conceived these ads were, by the time the official television campaign began on May 14 Yeltsin had already surpassed Zyuganov in the preferences of voters looking ahead toward a second-round runoff (see figure). And the pace of his rise started to slacken soon after the advertisements began to air. Furthermore, Yeltsin's appointment of the popular general, Aleksandr Lebed, to head the Security Council, although thought to have won over crucial nationalist and centrist voters, was not followed by any appreciable rise in the president's popularity. Before Yeltsin's dramatic gesture, 53 percent planned to vote for him in the second round, just 0.7 percent fewer than actually did so on July 3.

Although respondents regularly put it at the top of their list of priorities, Yeltsin's efforts to end the war in Chechnya do not seem to have helped him much either. A first attempted truce in late March quickly unraveled, perhaps explaining a slight drop in the president's first-round support in early April. A second, somewhat more success-

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[1]On the doubts of CIA analysts, see Elaine Sciolino, "Who'll Win Russia? For America, Uncertainty Wraps the Riddle," *The New York Times,* May 19, 1996, sec. 4, p. 1; on Yeltsin's campaign aides, see Yevgeny Krasnikov, "Occupation: Loyal Comrade-in-Arms," *Moskovskiye Novosti,* March 3, 1996; Naina Yeltsin confessed that she had initially had serious doubts about her husband's chances during an interview on the program "Hero of the Day," NTV, July 4, 1996.

[2]For a more detailed version of the following analysis, see Daniel Treisman, "How Yeltsin Won: Evidence from Polls Taken during the Campaign" (unpublished), Russian Research Center, Harvard University, 1996. Reading too much significance into polls taken in Russia by Russian organizations is somewhat hazardous given polling's relatively short track record in the country, the high uncertainty, and the likelihood of self-misrepresentation by those surveyed. But polling firms have already amassed considerable resources, skills, networks, and experience. Polls were taken throughout the campaign by three unrelated survey firms—ROMIR, the Public Opinion Foundation, and the Russian Center for the Study of Public Opinion—with representative samples of at least 1,500 voters in at least 56 locations both urban and rural. The results from all three organizations show essentially the same slight decline or plateau in early April followed by a sharp rise, which tapers off from late May. The poll figures also converge quite accurately on the actual vote for the two main candidates.

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ful, ceasefire signed in late May simply came too late to account for much of the rise in his support, as did Yeltsin's decrees eliminating conscription by the year 2000 and making service in hot spots such as Chechnya optional for conscripts. By the time these measures were adopted, Yeltsin was already in the lead and his rise was tapering off.

Some thought Yeltsin's initiatives to speed up reintegration of the former Soviet republics—for instance, an agreement with Belarus to form the Community of Sovereign Republics, which he reached in late March—helped him electorally. In reality, this widely publicized event was followed by several weeks of stagnation or even slight decline in the president's ratings. (Only one in eight respondents listed reintegration among their five top-priority tasks for a new president.) A decree in March establishing the free purchase and sale of land may help explain a sharp rise in Yeltsin's support in the countryside in April. And the nuclear summit meeting of the Group of Seven industrialized nations that Yeltsin hosted in April may have indulged Russian national pride, but this was so quickly forgotten and so little mentioned in the press that its impact on voters is questionable.

One strand of Yeltsin's rhetoric sought to scare voters with the idea of a return to communist repression, rationing, or civil war. This appears to have been effective early on. In February and March, Yeltsin's second-round support was rising simultaneously with a fall in Zyuganov's, and the communist leader's negative rating—the percentage saying they would "never like to see him as president of Russia"—rose by seven and five percent, respectively, in those two months. But by late March, such tactics appeared to be losing force. In subsequent months, Zyuganov's negative ratings rose by only one to three percentage points per month. And even on the eve of the first round of the election, he was vigorously opposed by less than one-third of voters.

THE POPULIST PERSUASION

THE CRUCIAL period in the campaign came in April and early May, when a steep spurt in Yeltsin's second-round support finally put him above Zyuganov. Observers' explanations—economic performance, television advertisements, Lebed's appointment, policy on Chechnya, anticommunist scare tactics, or efforts to reintegrate the former Soviet

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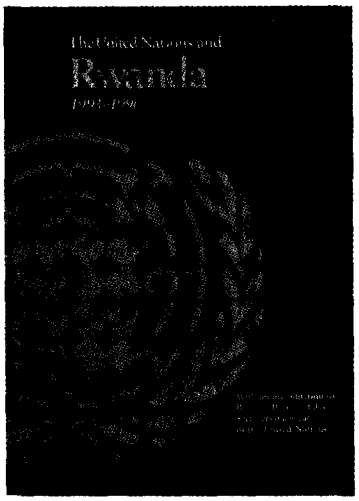
The United Nations and Rwanda 1993-1996



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republics—cannot easily account for this rise. Part of it, but only a small part, may be due to Yeltsin's land reform decree and to Russian national pride at the Moscow superpower summit in April. The aspect of the campaign that seems to have figured most prominently in this crucial rise in Yeltsin's popularity was promises of, and an outright increase in, social spending. That is to say, Yeltsin won the election in large part through state largess.

Yeltsin issued a dramatic series of socially oriented measures and decrees in April and early May. The tone of this phase of the campaign is epitomized by a comment the president made later. "Russians have already forgotten what empty shelves are," he told the government newspaper *Rossiiskaya Gazeta*. "Now what's needed is for people to forget about empty wallets."[3] In mid-April Yeltsin doubled the minimum pension, effective May 1. And he signed a decree ordering compensation for those whose savings had been devalued by the 1992 hyperinflation. On June 10, six days before the first round of the election, the first set of payments was made to those over age 80. These initiatives do seem to have affected voting plans. In the poll after the savings compensation began, Yeltsin's rating among the elderly was notably higher. And both in early May and in early June, as pensioners would have been receiving the increased payments, Yeltsin's prospective vote among the elderly rose.

The scope of Yeltsin's handouts to different social and geographic groups can be gauged by the relative output of his legal draftsmen. In January, February, and March, the president issued seven or eight decrees each month allocating benefits to particular geographic, social, or economic constituencies. In April, he signed 22, and in May and the first two weeks of June, another 34. Students, teachers, medical workers, pensioners, war invalids, veterans, children, single mothers, scientists, the formerly repressed, small businesses, Cossacks, the unemployed, military-patriotic youth organizations, and diabetics all benefited from at least one decree during the last ten weeks of the campaign. So did the agro-industrial complex and the defense, aviation, and space industries. Decrees between April 1 and election day singled out for benefits Siberia, the Central Black-Earth, Far North,

[3] *Rossiiskaya Gazeta*, June 11, 1996, p. 1.

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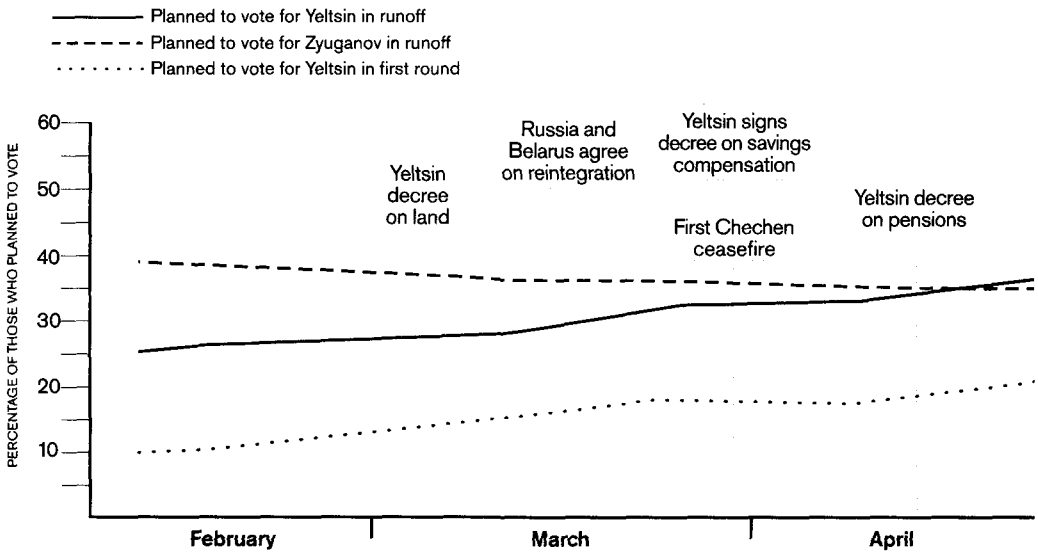

Far East, and Baikal regions; the republics of Tatarstan, Udmurtia, and Komi; and Belgorod, Sverdlovsk, Arkhangelskaya, Vologda, Chelyabinsk, Kamchatka, Yaroslavl, Rostov, and Kemerovo oblasts.

Some regional Yeltsin campaign headquarters doubled as patronage machines reminiscent of Tammany Hall. One newspaper described the Center for Reelection of the President in the Sverdlovsk region as "a glorified social services and janitor's office combined" that was working hard to make the president "look kind and fair like Robin Hood come alive."[4] The center reportedly helped to secure overdue wages for the city's subway construction workers.

An epidemic of unpaid wages had become one of the main irritants for voters in the pre-election months. By February 20 the total backlog had reached about 24 trillion rubles ($4.9 billion). Yeltsin declared war on the problem, instructing the tax police and even security services to investigate enterprises whose directors ran up wage arrears, firing regional officials accused of diverting payroll funds to other purposes, and transferring additional funds from the central budget to pay overdue wages in the state sector. By early April, wage arrears in the budget sector had been eliminated, although they began to recur in the following months.

[4] *Choice of the Regions* (newsletter), Russian-American Press and Information Center, Moscow, May 20, 1996.

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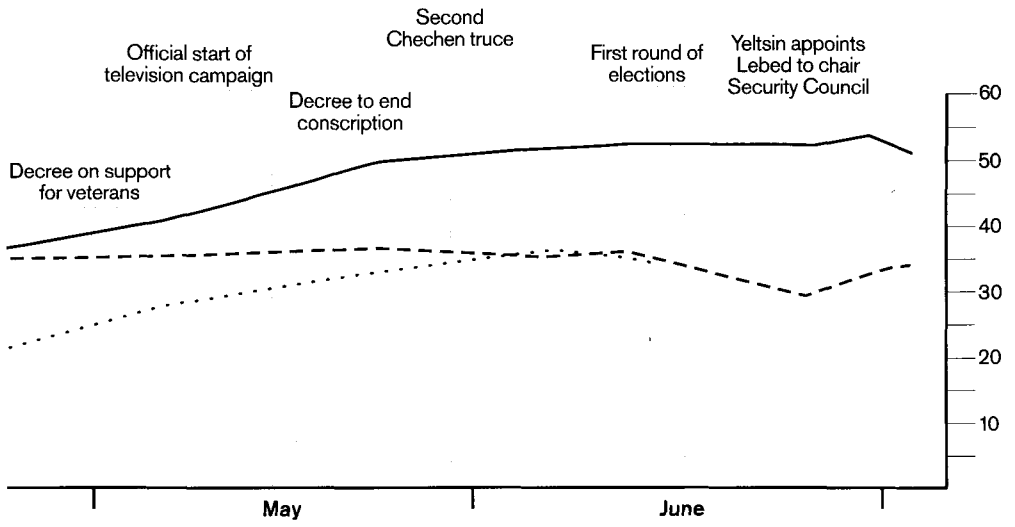

SOURCE: RUSSIAN CENTER FOR THE STUDY OF PUBLIC OPINION

Unpaid wages in the budget sector, however, were only a small fraction of the total in the economy. The government managed to halt the rise in total wage debt from late February until the beginning of May, but not reduce it much. In two periods (late February to early March and the month of April) total wage arrears actually dropped slightly. One poll taken in mid-April found that Yeltsin's efforts to reduce overdue wages had influenced 38 percent of voters in his favor—the highest figure for any issue listed. Wage arrears started to rise again in mid-May, perhaps explaining the subsequent slowing in the growth of Yeltsin's popularity.

As important as the actual financial aid transferred was the success of the policy at diverting public indignation from the federal authorities to local officials and enterprise directors, who were widely accused of holding up wages for their own profit or political purposes. More than 100 criminal investigations were opened, several dozen directors were fired, and by July two had been convicted. "People were annoyed, unsatisfied," according to Yeltsin's assistant for economic policy, Aleksandr Livshits. "But the direction of their indignation began to change."[5]

The second factor that may account for the rise in Yeltsin's support in April and early May was an energetic series of trips the president made to different regions of Russia. After visiting a couple of regions in

[5]Interview with the author, Moscow, July 9, 1996.

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February and staying home in March, Yeltsin visited five more in April, ten in May, and six in the first half of June. These visits were almost always combined with offers of largess, which Yeltsin delivered with relish. On a visit to Krasnoyarsk in May, Yeltsin joked to residents: "I have thrown a coin into the waters of the Yenisei River today for luck, but you should not think that this will be the end of my financial help to the Krasnoyarsk region."[6] To residents of Arkhangelsk later that month, he announced that he had "come with full pockets."[7] Some of his generosity was highly personalized. One woman working in a Vorkuta coal mine asked for a car—and got it, along with an appearance on the national news.[8] Television cameras even caught one of the president's aides, Aleksandr Korzhakov, slipping a handful of cash to a bystander who had accosted Yeltsin during one of his campaign strolls.[9] Besides issuing decrees to benefit individual hosts, Yeltsin accelerated a process begun in 1994 of signing bilateral agreements with the regional governments on the division of power between Moscow and the region. During the last three months of the campaign, Yeltsin signed 12 of these, one more than he had signed in the previous two years. Such agreements almost always included additional economic or other benefits for the region.

A woman working for a Vorkuta coal mine asked Yeltsin for a car—and got it.

Such federal aid, along with careful preparation by the local governors, who often doubled as Yeltsin's regional campaign managers, usually guaranteed a receptive crowd to meet the president. This in turn created a positive image and a sense of momentum for the national news shows. Viewers saw an energetic, confident president listening and responding to ordinary people's concerns, and being greeted with respect.

Yeltsin's trips demonstrated that he was physically sound, in touch with ordinary people, and willing to listen. The stamina and high spirits of a president who had suffered two bouts of ischemia the pre-

[6]Reuters, May 18, 1996, Krasnoyarsk.
[7]ABC News, May 24, 1996.
[8]"Vremya," ORT, June 11, 1996.
[9]ABC News, May 22, 1996.

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vious year impressed the accompanying press corps. "Every day Boris Yeltsin dances better, kisses ladies' hands more skillfully, jokes with girls in the street more freely," one reporter enthused.[10] Another noted that while in Omsk and Novosibirsk the president had merely danced around during his rock concert appearances, in Rostov he performed "almost a professional twist."[11] Still, it is doubtful that the vigor of his campaigning would have gone very far had Yeltsin arrived empty-handed with lectures on macroeconomic discipline.

The influence of such material benefits on voting is confirmed by the analysis of regional leaders themselves. In the staunchly communist agricultural province of Tambov, Zyuganov won a resounding victory in both rounds of the election. But there, too, Yeltsin's support rose significantly during the course of the campaign. According to the deputy governor, Yuri Blokhin, this was mostly attributable to Yeltsin's late conversion to a more generous social policy. "Just in the last few months, when he started paying pensions and wages, Yeltsin's rating in the oblast rose from 8 percent in January to about 21 percent in the first round of the election."[12] In the northern republic of Karelia on the Finnish border, voters supported Yeltsin, as they had done in previous elections. The republic's head of state, Viktor Stepanov, himself a member of the Russian Communist Party, explained that this was the result of concessions granted by Yeltsin to the region in previous years—considerable economic self-sufficiency, early retirement benefits, and other privileges. "All this created a context in which, despite all the economic difficulties and the political conflict, people expressed gratitude toward the president."[13]

In short, Yeltsin won the election before the start of his main television advertising campaign, before the peace agreement with Chechen leader Zelimkhan Yandarbiyev, and before his appointment of Lebed. He appears to have succeeded in defining the race early on in polar-

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[10]Tatyana Malkina, "Boris Yeltsin Conquered Another Two Stadiums and One Sabantui," *Segondnya,* June 11, 1996, p. 1.

[11]Veronika Kutsyllo, "To the Elections—On Horseback and With Sword," *Kommersant-Daily,* June 13, 1996, p. 3.

[12]Interview with the author, Tambov, June 26, 1996.

[13]Viktor Stepanov, chairman of the government of Karelia, interview with the author, Petrozavodsk, July 2, 1996.

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ized terms and attracting a certain number of voters with anticommunist scare tactics. But this was not sufficient to raise his rating above that of Zyuganov. The crucial element that provided his final spurt of support and secured victory was a vigorous campaign of regional visits combined with a new generosity in social and regional policy. This won him the recruits he needed from the undecided, discontented, but moderate center. While the Chechen truce and co-opting of General Lebed may have forestalled events that could have undermined Yeltsin's position, they did not themselves secure his victory.

THE PAYOFFS OF POPULISM

GIVEN ITS apparent efficacy, it is surprising how few observers had anything positive to say about Yeltsin's "Santa Claus" strategy in the last months of the campaign. Many accused him of populism and pointed to the very real economic costs of such a strategy. The governor of Nizhny Novgorod, Boris Nemtsov, said the election campaign was "a 'nightmare' for the Russian economy, because it has caused a surge in federal spending, while scaring away foreign investors."[14] Former prime minister Yegor T. Gaidar, head of the reformist Russia's Choice bloc, in February demanded as a condition for his support that "budget policy must not be made a hostage to the election campaign."[15] An editorial in *The New York Times* in January had warned Yeltsin not to "recklessly try to spend his way back to popularity, thus undermining economic reform" and causing "lasting damage to the economy in a vain effort to save his own skin."[16] What these critics overlook is that Yeltsin's social spending probably played a crucial role in keeping Zyuganov out of office, and that social welfare programs and promises have been a normal part of the politics of most Western countries.

Between March and May, the central bank had to issue more than 25 trillion rubles, and sell $3 billion of its reserves supporting the ruble. The federal budget deficit shot up to 9.6 percent of GDP in April, from

[14] *OMRI Daily Report,* May 20, 1996.

[15] Georgy Bovt and Natalya Kalashnikova, "A Non-Communist Coalition Means Sharing Power," *Kommersant-Daily,* March 2, 1996, p. 3.

[16] "Mr. Yeltsin's Dangerous Choice," *The New York Times,* January 5, 1996, p. A12.

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5 percent in the first quarter.[17] Another 8 trillion rubles had to be paid out in inflation compensation to depositors of Sberbank, Russia's largest savings bank, and for wages and aid to teachers.[18] Electoral considerations also softened the federal government's resolve in collecting taxes, and enterprises underpaid a total of 75 trillion rubles (about $15 billion) in the first six months.

Western journalists warned Yeltsin against reckless spending.

Not only was Yeltsin's approach criticized as economically dangerous, but both Russian and Western analysts also thought it could not work politically. According to one Russian political commentator, the strategy of "trying to beat the communists on their own playing field and at their own demagogic logic" was doomed to fail. "Cash handouts during a campaign do not bring additional votes. That is, the voters take the money from the government, of course, but they vote for candidates who are the harshest critics of the government."[19]

As early as February, one Western analyst accused Yeltsin of having "given in to the communists on virtually all fronts—apart from cleaning up corruption." Such an approach, he added, "makes no sense as an electoral strategy. To communists, he remains a traitor. To liberals, he has abandoned all the values that made him popular. Thus, he has eliminated his political base."[20] Another argued in April that for reformers like Yeltsin and economist Grigori Yavlinsky, trying to appeal to the communists' voters by making lavish promises to pensioners or by firing liberals from the government would not work and might in fact be self-destructive: "To appeal to . . . potential swing voters, a reformist candidate must convince them of the virtues of reform and the dangers of radically altering the status quo. . . . Attempts to sway these voters by acting more

[17]Andrei Illarionov, "Russia Is Sitting on a Credit Needle," *Izvestia*, June 27, 1996, p. 2.

[18]Nikolai Manvelov and Sergei Zharkov, "State Duma and Cabinet Decided to Stick Their Hand in the Central Bank's 'Money-box,' " *Kapital*, June 11-18, 1996, p. 3.

[19]Vladimir Mau, "Campaign Rhetoric is a Double-Edged Weapon," *Kapital*, February 28, 1996, p. 13.

[20]Anders Aslund, "Almost Anyone is Better Than Yeltsin," *The New York Times*, February 13, 1996, p. A21.

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like the opposition not only will fail, but at the same time will alienate the core supporters of reform."[21]

Perhaps surprisingly, the strategy seems to have been viewed with a certain understanding by the International Monetary Fund, which agreed to keep disbursing monthly tranches of its $10.2 billion loan negotiated in February. In part this was because, despite the additional spending and ineffective tax collection, the government for the most part avoided inflation by selling ever more government bonds on the state securities market. As a result, lavish promises could be combined with a steady fall in monthly inflation rates.

Yeltsin was able to win over those inclined by irritation to vote for Zyuganov.

The victory was won largely on credit. Between the beginning of the year and the first round of the election, the government increased the nominal value of the main outstanding state securities by 80 trillion rubles (about $16 billion). But Yeltsin's triumph was bought on credit in another sense. Most of the initiatives in social and regional policy and most of the campaign promises had costs attached that would materialize only after the election.

Such promises were highly non-credible, especially when made by a president who, if elected, would be serving his last term permitted under the constitution. Yeltsin's success can only be explained in relative terms: the promises of his rivals may have been perceived as even less credible. As the incumbent, Yeltsin could at least begin to fulfill his promises before the election. Asked during one campaign stop whether he was visiting as a leader or a candidate, he replied: "I cannot separate those two functions. As a candidate I can promise, and as a president I can deliver."[22] This did not guarantee that Yeltsin would not renege after the election, but it was still more than Zyuganov could do. "I know that campaign promises of politicians aren't particularly believed," the president told an interviewer in June. "My program is not campaign promises,

[21]Michael McFaul, "The Vanishing Center," *Journal of Democracy,* April 1996, p. 102.
[22]Michael Specter, "Yeltsin Hits Campaign Trail, Telling Voters to Forget Past," *The New York Times,* April 6, 1996, p. A1.

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but a plan of concrete actions, which are already being carried out and will be carried out further."[23] Indeed, at times Yeltsin went so far as to reverse the usual order and carry out his promises before he made them. His electoral program was published on June 1; appended to it was a list of 49 decrees implementing it that had been signed in the previous four months.

Could voters be so easily "bought"—and bought on credit? To pose the question in these terms simplifies the psychological reality. The decision on which candidate to support is influenced by a voter's values and perceived interests, but also by his current mood. A certain number of voters early in the campaign were planning to vote for Zyuganov or "against all" in the second round, not out of conviction but out of irritation. While the sort of social policy and largess Yeltsin could promise on the campaign trail would hardly change the values of voters or their understanding of concrete interests, they could win over those already inclined to support Yeltsin—either as a reformer, or out of deference to the incumbent—but who had been aggravated into supporting Zyuganov or not voting by unpaid wages, miserly pensions, and a sense that the president did not care. By paying people their back wages or increasing social aid, Yeltsin's team hoped to make it possible for generally sympathetic voters to vote out of hope—at least temporary hope—rather than annoyance.

This was not the first Russian election in which state financial aid appears to have improved the performance of incumbents. In the 1995 parliamentary election, in those regions that had enjoyed larger increases in net fiscal transfers from the center the previous year, the vote for the most pro-government bloc, Our Home is Russia, was significantly higher. And in the 1993 parliamentary election, the vote for the most pro-government bloc, then Russia's Choice, was higher in regions where regional state spending had increased the most the previous year. Central aid to the regions—and higher state spending—is one of the factors that explain the voting in Russia's regions.[24]

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[23]Interview in *Rossiiskaya Gazeta,* June 11, p. 1.

[24]For the evidence on which these claims are based, see Daniel Treisman, *After the Deluge: The Politics of Regional Crisis in Post-Soviet Russia,* forthcoming.

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AFTER THE VOTE

ANALYSIS OF trends in support for Yeltsin during the election campaign suggests a surprising conclusion. While the president's strategy of polarizing the electorate and raising the fear of a return to communist repression helped him beat out "Third Force" centrist candidates for leadership of the noncommunist camp, that alone probably would not have been enough to defeat Zyuganov. His campaigning with "populist" promises, generous social policy initiatives, and regional aid—harshly criticized by economists at the time as irresponsible and by some political observers as counterproductive—played a crucial role in securing majority support. These tactics apparently changed the mood of many voters reaching their final decision and convinced a sufficient number of waverers, despite economic hardship, to vote for Yeltsin rather than an opponent.

The economic costs of such a campaign strategy are significant. A certain—although limited—danger remains of resurgent inflation, a banking crisis, or a collapse of the market in state securities. The budget is in chronically poor shape, with taxes in the first half of the year collected at only 60 percent of the planned level. Soon after the election results were announced, the president's economics aide, Aleksandr Livshits, signaled a new approach to policymaking, announcing that "the all-Russian cashbox for paying out money to the regions has been closed for stock-taking." Even in the most optimistic scenarios, there will be some bumps along the road to resumed economic growth and stabilization during the next few months.

But these costs seem minor compared to the greater chance of high inflation, a collapse in investors' confidence, and capital flight if the communist candidate, Gennadi Zyuganov, had won. And the prospects for continued economic reform, while complicated, are better than under any of the other realistic election outcomes. The lesson of 1996 in Russian politics seems to be that moderate populism may work—and may be a price worth paying, when the alternative is a much more incompetent and dangerous attempt to reverse reform. And, whatever textbooks on governance may say, the targeted allocation of "pork" in order to secure votes is something Russia's new

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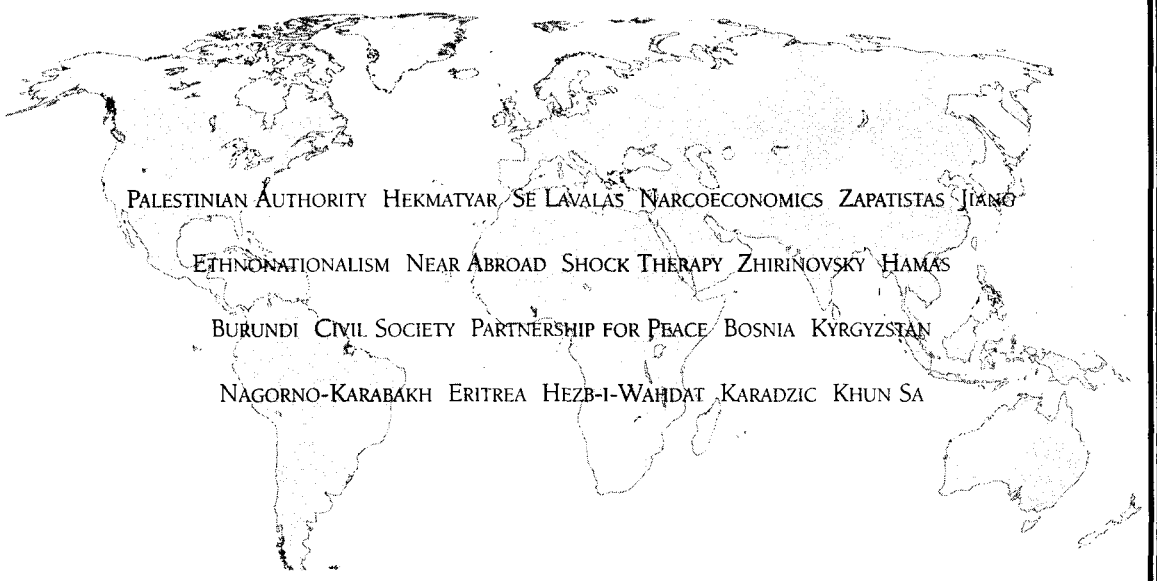
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democracy shares with many of its more developed, stable, and economically successful counterparts in the West.

The credit on which Yeltsin's victory was won—both in terms of election promises and increased government bond issues—will come due later this year. The government's hope is that the start of economic growth and an influx of foreign investment will provide it with the resources necessary to redeem its debt. And the kind of democracy that develops will depend on whether this occurs. The speed with which economic improvement gets moving will determine whether the Russian electorate has its cynicism confirmed by yet another set of unkept promises and starts looking around for charismatic outsider candidates, or whether the idea of a political bargain between electors and elected begins to become a reality. In any case, this election—both its occurrence and its results—gives one reason to believe that, for all its problems, democracy is now entrenched in Russia.

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The Muslims of France

Milton Viorst

ISLAM ABROAD

FRANCE TODAY has roughly four or five million Muslim inhabitants, nearly a tenth of the population. Approximately half have French citizenship. More precise figures are not available, since the French state, being officially secular, is forbidden to inquire into questions of religion. It is generally agreed, however, that France, preponderantly Catholic, now has more Muslims than either Protestants or Jews, its historical minorities. Islam has become the country's second religion.

The change has come about through immigration, largely from France's former North African colonies. Although a presence since World War I, Muslims arrived in significant numbers in France only in the 1960s, when the government granted asylum to hundreds of thousands of Algerians who had fought on the French side in Algeria's 1954-62 war of independence. In the 1960s France also opened its doors to immigrant manpower to meet the needs of its burgeoning economy, bringing in a million more Muslims. Within a decade the economic boom ebbed, but by then Muslims were living in nearly all of France's cities and towns. With few choosing to return home, France slowly realized that a major Muslim community had settled in the country to stay.

Since the 1970s, France—like much of Europe—has enacted "zero immigration" laws, but its Muslim population continues to rise, thanks to high birth rates, illegal entrants, and an exception allowing the reunion of immigrant families. The exception makes clear that French

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MILTON VIORST, author of *Sandcastles: The Arabs in Search of the Modern World,* is currently working on a book on political Islam.

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Muslims in Paris protest the government ban on the head scarf in schools.

policy is to legitimize the Islamic community, integrating it into the society. This policy contrasts with those of Germany and Britain, each with a community of about 1.5 million Muslims; Germany's policy is to repatriate its Muslims, Britain's to ignore them. Of the three, only France has taken positive steps to promote Muslim integration.

But France's policy, well-intentioned or not, is by no means the end of the matter. The developing world's soaring populations and stagnant economies are imposing increasing migratory pressures throughout the West. France is no more likely than any other Western state to satisfy these pressures by its integration efforts, even if they succeed—and so far success has been elusive.

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France's Muslim community is probably the first in history that has contemplated integration into a Christian society. Its proclaimed objective is to become French while keeping faith with Islam, but France's Muslims find few precedents for cultural adaptation. In theory the community's twin goals are not incompatible. Similar to the general population, only 10 or 15 percent of France's Muslims regularly practice their religion; most identify with the faith socially, chiefly by celebrating its major holidays. Yet in the French mind Islam is linked with fundamentalism. A recent poll found that two-thirds of the French associate Islam with religious fanaticism. To say the least, the Muslim community lives uncomfortably in France, distant from the goal of becoming truly French.

Muslims generally concede that the French try to contribute their share to the integration process. France has never abandoned the egalitarianism of its revolutionary heritage; it has absorbed outsiders more readily than any other country in Europe over the past two centuries. In the last few years French hospitality has been strained: France, like much of Europe, has been plagued by unemployment. Although Muslims have been disproportionately victims, a vocally anti-foreign party called the National Front blames them for France's economic ills. But the National Front, while growing in strength, is an exception. Most Muslims agree that France has been generous in promoting their community's development and respectful of its religious character.

The state provides Muslim chaplains and serves rations in accord with Islamic dietary law to believers in the military and in prison. Business and industry offer Muslim employees time and facilities for prayer. Some 30,000 of France's Muslims go on pilgrimage to Mecca each year, with official blessing.

Mosques are a more visible sign of the community. France has eight "cathedral-mosques," each accommodating a thousand or more worshippers, and a hundred or so smaller mosques in which several hundred can assemble. Muslims say they need more mosques, and claim that local officials put bureaucratic obstacles in their way. Free to improvise, however, they have transformed stores, houses, and apartments into prayer rooms, more than a thousand of them throughout the country.

If the French government had its way, the Grand Mosque of Paris would be the Muslim Vatican. The mosque, a building of classical

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Islamic design at the edge of the Latin Quarter, is the country's most illustrious Islamic monument. It was dedicated in 1926 to the Muslim soldiers who fought for France in World War I, and it receives official greetings every year from the president of the republic. In its main courtyard, paved in tiles of black and white, men in many different styles of dress—the Muslims of France are said to come from 123 countries—perform ritual ablutions at an octagonal fountain before prayers. The mosque originally had links to Morocco, but Algeria has financed it since 1962 under an agreement with the French government. Algiers also names the mosque's imam, or prayer leader. The agreement troubles many in the Muslim community in France because it underlines Paris' support for the military government in Algiers, and they view the mosque not as the seat of an Islamic papacy but as an arm of the Algerian state.

In September 1994 a new cathedral-mosque opened in Lyon, France's second city. Paid for by Saudi Arabia, the snow-white mosque fuses modern and traditional architecture. Construction began only after a decade of legal wrangling, during which Lyon's Muslims agreed to shorten the minaret and suppress the muezzin's traditional call to prayer five times daily. At its dedication, its imam described the mosque as standing "midway between two cultures—the marvels of the Koran and the wisdom of Descartes."

Representing the state at the dedication ceremony was then–Interior Minister Charles Pasqua, who boasts of his own immigrant roots. As the nation's highest police official, his presence was a reminder to the Muslim community that however tolerant France might be, it still viewed Islam in the context of state security. France, Pasqua warned in his speech, would not compromise its secular traditions to accommodate any faith, and expected French Muslims to place the law of the land over sharia, or Islamic law. He issued a further challenge: "It is not enough simply to have Islam in France," he said. "There must now be a French Islam." It was an odd idea, alien to the traditional doctrine of a universal religion. France, it seemed to say, would not tolerate Islamic practices, religious or cultural, at odds with the character of French society.

Pasqua's words reflected the discontent many in France feel, contemplating Islam's impact on national life. They articulated the per-

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sistent concern that Muslims are different from the immigrants who preceded them, the Poles or the Portuguese or the Jews. They suggested that perhaps the Muslims could not be integrated after all.

PRAYERS AT THE MOSQUE

ACROSS TOWN from the Paris Mosque, in the grim nineteenth arrondissement that abuts the heavily Muslim industrial suburbs on the northern rim of the city, stands another of France's "grand" mosques—although it is not grand at all in the English sense of the word. Its Arabic name is Addawa, "the call," but it is familiarly known as the Stalingrad Mosque, after a nearby subway stop. It is the largest mosque in France in terms of square footage, but its flat, unmarked facade makes it difficult to identify. I found it last December by following the crowd of believers hurrying to say their Friday prayers.

The building is a converted warehouse purchased in the early 1980s with Saudi funds. The few partitions that have been installed have scarcely altered the interior's rough, unfinished look. The second story contains offices, an auditorium, a modest library, and a few classrooms. On the ground floor is the mosque itself, a cavernous space about 100 by 200 feet, interrupted at regular intervals by thick pillars. Missing panels leave dark rectangular spaces in the ceiling.

The men filing in to pray, many of whom were teenagers, had mostly the faces of Arabs or Africans. A few looked typically French—there are an estimated 35,000 French converts to Islam. Some congregants wore colorful West African dress or Middle Eastern *galibiyahs*. A few had on ties, but most were outfitted in the shabby coats or ski jackets and the knitted hats of manual laborers. They carried their shoes in plastic bags or tucked under their arm. Spread around the hall were several dozen well-groomed men in their twenties with badges declaring them "Securité."

The congregants began filling the hall about noon, lining up in tight, straight rows facing the niche on the eastern wall that points the way to Mecca. There were no women in the space, though about 500, I was later told, assembled in the second-floor auditorium to follow the prayers on closed-circuit TV. By the time the imam entered

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at one o'clock, more than 2,000 men stood silently in the winter chill, waiting for his opening words.

The prayer leader at the Stalingrad Mosque is Larbi Kéchat, a slight figure with a neatly trimmed beard. He is one of the country's most prominent imams. Born in Algeria in 1952, Kéchat is a product of French higher education. Although still an Algerian national, he has been a resident of France for 25 years. Politically, he is considered hostile to Algeria's military regime and sympathetic to the Islamic movement that opposes it, but still an opponent of revolutionary violence. A frequent participant in Muslim-Christian dialogues, he preaches a tolerant Islam. The message of his sermon that day, delivered half in French, half in Arabic, was that Muslims must not claim God's mercy exclusively for themselves but recognize that He makes it available to all who believe in Him.

Germany repatriates them. England ignores them. Only France tries to integrate its Muslims.

Kéchat was the central figure in the controversial August 1994 arrest of 26 Algerians suspected of sympathizing with Islamic terrorists. The roundup took place in response to the murder of five Frenchmen in Algiers by members of Algeria's Armed Islamic Group. Kéchat, seized outside his mosque, was taken with the others to an abandoned military camp north of Paris, from which 20 of the detainees were expelled to the West African republic of Burkina Faso. Explaining the action, Pasqua's Interior Ministry said all were "susceptible of presenting a danger to the security of our compatriots." None, however, was charged with a crime.

Kéchat was permitted to remain in France on his release three weeks later. As a cleric, he received strong support from church leaders, the newspaper *Le Monde,* and even the Paris Mosque—although he shocked the country by joining the other detainees in refusing a visit from Dalil Boubaker, rector of the Paris Mosque, maintaining that Boubaker was an agent of Algiers. Commenting on Kéchat's arrest, a prominent Catholic priest said the imam had been "taken as a hostage to terrorize organized Muslims, whether sympathetic or not to the extremists, who are hostile to the Algiers military regime." After his release, Kéchat was confined to the nineteenth arrondissement and

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placed under police surveillance. He was allowed to continue as Addawa's imam but forbidden, as he joked, to go to his favorite barber. Officials ended his punishment only a few weeks before my visit.

In a shabby office above the mosque, Kéchat told me the arrests were directed, symbolically, at all the Muslims of France. Though a "humiliation for our entire community," he said, Muslims would not be bullied by it. The resident Muslim community, he pointed out, has never been identified with terrorism in France. Referring to the December 1991 elections in Algeria, which the government in Algiers annulled after the Islamic party's first-round victory, he insisted that France abandon its support of the military government and endorse Algerian democracy, whatever the results. It was vital, he said, that France and its Muslims intensify their "brotherly collaboration."

Challenging Pasqua's vision, Kéchat said, "What is being asked of us is not integration but assimilation, which requires us to leave our identity behind. Individuals can be assimilated, a community cannot. A workable integration is one in which each party accepts the other as it is, with its own special culture.

"Our community, which started with soldiers and workers, is now mostly native-born and knows no other home. The idea of returning to someplace else is not part of our thinking. We have become part of the French family, and accept our responsibilities to it. But we cannot be alone in making accommodations.

"As Muslims, our ideal is a totally Islamic society, but that is only an ideal. Of course we would like the life of our community to be guided by our own laws, but we know that in France, circumstances do not permit it. Fortunately, Islam does not bar us from adapting. Islam in France is different from the Islam of, say, Egypt or Algeria. We practice a kind of diluted Islam here, in which we live with the separation of church and state, although it offends our beliefs. If we accept the limitations imposed on us, it is because Islam also commands us to preserve the stability of the society in which we live.

"But the arrival in France of Protestants and Jews required changes in French society; now it is the time of the Muslims. To start with, we need more mosques, to replace the dingy basement rooms in which so many Muslims now pray. We propose that a committee of wise men of both cultures sit down to work out solutions to our differ-

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ences. These changes need not be abrupt, but we have got to assemble around a table together and agree on them."

DIFFERENCES UNCOVERED

THE *hijab,* the scarf Muslim women traditionally wear to cover their hair, is among the issues that has eluded accommodation. One writer has drawn a parallel to Watergate: touching on basic but subtle social values, the furor over the *hijab* is practically incomprehensible to outsiders. Both Muslims and non-Muslims recognize the *hijab* as a symbol that reaches to the heart of their cultures—one on which neither so far has been willing to yield.

The controversy began in 1989, when three teenage girls declaring themselves "believers but not fundamentalists" were expelled from a high school in Creil, a town north of Paris, for wearing what school authorities said was a religious symbol. The adoption of the *hijab,* French sociologists hypothesize, is part of a search for identity by the first generation of French-born Muslims to reach maturity. But it runs straight into the struggle between church and state in France that goes back to the time of Voltaire and was more or less settled in 1905 by the exclusion of religion from official institutions. Negotiations with the Creil students proceeded for three years, to no avail. Finally the government banned the head scarf, but Muslim leaders have kept the issue in the courts. Polls show that the dispute has sharpened worries among the French about the prospect of living with Islam.

The standard Muslim defense of the *hijab* is that it is not a religious symbol but a cultural artifact, part of Muslim tradition. Larbi Kéchat told me it reflected the differences between the West's physical notion of beauty, which comes from the Greeks, and the East's more abstract conception, in which the highest art form is calligraphy. Why, the *hijab*'s defenders ask, can a teenager attend classes in a miniskirt or torn jeans but not in a head scarf? Perceiving a weak spot in secular ideology, the *hijab*'s supporters say that denying Muslim students a freedom guaranteed to everyone else is pure racism.

The counterargument is based on a French belief that the schools have a mission to neutralize religious differences between students while imbuing them with French civilization. Some

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French intellectuals have linked the *hijab* to tribalism, seeing it as a barrier to the integration that Muslims claim to desire. Citing a tenet of the French Revolution, a prominent scholar has insisted that French education "is incompatible with the preservation of immigrant cultures. We preach the universality of mankind." The support of the organized clergy—Catholic, Protestant, and Jewish—for the Muslim position suggests to some Frenchmen a conspiracy to send secularism into retreat.

Characteristically, the Interior Ministry sees the *hijab* in terms of national security. Of some 300,000 Muslim girls in French high schools, it estimates that 15,000 wear the *hijab,* which it claims is an assertion of fundamentalism. The Education Ministry puts the figure at 2,000, and ascribes to them less militant motives. Some Muslim leaders maintain that any statistic for the wearing of the *hijab* in schools understates the extent of the practice because many girls, embarrassed to be seen bareheaded, avoid school altogether. On the other hand, teachers say that political militants regularly recruit young girls to take up the *hijab* and to pressure their fellow students to do likewise.

In 1994 the government adopted a rule that recognizes a student's right to display religious symbols unless they are "outrageous, ostentatious or meant to proselytize." The rule seems to leave room for a cross or a yarmulke while barring the *hijab,* but in fact it passes the buck, leaving interpretation up to the director of each school. Predictably, the rule satisfies neither side, and the dispute rages on.

SPREADING THE WORD

AMONG THE outspoken supporters of the *hijab* is the Union of French Islamic Organizations (UOIF), an umbrella association for some 200 local groups that promote Islamic orthodoxy. Many believe the union is the French branch of the Muslim Brotherhood, the international society founded in Egypt 70 years ago to foster fundamentalism. Its leaders dismiss the description. But in its headquarters on a narrow street in the grimy Paris suburb of La Courneuve, it produces books, videotapes, and audiocassettes aimed at advancing the Islamic cause, and conducts courses and camps to train Islamic activists.

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The union's program includes an annual Islamic fair held on the grounds of the old airport of Le Bourget, where Lindbergh landed in 1927. Dozens of chartered buses were parked near the cavernous hangars when I arrived at last December's fair. Inside, reminiscent of a Middle Eastern market, thousands of men with beards and women wearing the *hijab*—some, in fact, in full veils—wandered about, greeting friends, snacking on kebabs, enjoying the Arab music that boomed from loudspeakers. Beneath banners carrying names like Union Islamique des Étudiants de France and Association Islamique du Calvados, booths were filled with merchandise for sale: prayer rugs, religious posters, trips to Mecca, and the recorded sermons of Islam's famous preachers. Workers at some booths collected funds to build mosques in France or to help needy Muslims in Palestine, Bosnia, and Chechnya.

"They arrive knowing little Arabic, and less religion. Islam was losing this generation."

One of the booths belonged to the European Institute of Islamic Studies, as its name is translated from the Arabic. Its French name is l'Institut Européen des Sciences Humaines; the founders dropped "Islamic Studies" in French, I was told, to avoid provocation. The institute is in fact an Islamic divinity school, incongruously located in the tiny village of Chateau-Chinon in Burgundy, where François Mitterrand was mayor from 1959 to 1981. In poetry and song, the region is known as *la France profonde.*

I found the institute, now in its fourth year, perched high on a Burgundy hill. Once a vacation site a French manufacturer kept for employees, the property was bought in 1990 by a group of Muslim intellectuals affiliated with the UOIF, with financing from Saudi Arabia. Twice the right-wing National Front brought in busloads of demonstrators to picket against the intended use, but residents of nearby towns and villages refused to take part. The institute, its directors assured me, tries to be a good neighbor, consulting with the local residents and inviting them to roundtable talks and open-house visits.

The property consists of two handsome old villas, housing administration offices, classrooms, and a library, and a half-dozen lesser buildings that serve as a cafeteria and dormitories. The institute has

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75 resident students, half of them women, and some 200 enrolled in correspondence courses. Donations from the Persian Gulf states subsidize tuition and living expenses. The genders mix academically, I was told, but not socially. The women, of course, wear the *hijab.*

Most of the resident students are enrolled in a four-year program to obtain master's degrees in Islamic theology; ten will study for two years to become imams in French mosques. The directors describe the institute as the first Islamic university in Europe, and aspire to matriculate freshman classes of 300 within the next few years. Their dream is for Chateau-Chinon to rival Al-Azhar, Cairo's great seat of Islamic learning.

"French is the native language of most of our students. They arrive knowing little Arabic, and less religion. Islam was losing this generation," said Ahmed Jaballah, the 40-year-old director of studies, who was born in Tunis. We spoke in his office amid filing cabinets and computers. "Our aim is to form the leaders needed by the Muslim community of France.

"We start here by teaching them Arabic. Then we teach them the Koran, the *hadith* [the traditions based on the Prophet Mohammed's doings and sayings], and Islamic jurisprudence, like any other Islamic university. But there is a difference. Though our faculty was shaped in Arab institutions, most have advanced degrees from universities in France. Knowing France, we understand that we must teach Islam within the context of Western reality. The religious training we provide has a Western orientation."

Several years ago Jaballah won a moment of fame with a highly publicized open letter to the government arguing that the *hijab* was an obligation the Koran imposed on all Muslim women. But in talking with me he maintained that the institute teaches an Islam that can adapt to life in the Western world—he prefers the word "adapt," he said, to "compromise" or "weaken."

The institute is far from fundamentalist, as some Frenchmen have charged, he said. Rather, it is influenced by the turn-of-the-century Egyptian reformer Mohammed Abduh, who acknowledged that the West had lessons to teach Islam. Jaballah said that living in the West opened him to a reexamination of formal Islamic doctrines. He no longer accepts, for example, the orthodox tenet that *ijtihad,*

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the interpretation of sacred texts, is closed. The institute, he said, considers the doctrine too rigid, therefore harmful to Islam.

"We see some advantage to living in the West, but we also see the problems," Jaballah said. "Muslims fear Western hegemony. The French fear that we will undermine their civilization. French pressure on us to assimilate is great. Some of the French say their culture is available only on a take-it-or-leave-it basis, without the slightest concession to our culture or our origins. We don't want to change French civilization, and we think we can be good Frenchmen. But we must have the freedom to express our differences and be able to practice our religion as it is."

Jaballah's ambiguity on the subject of integration echoes Larbi Kéchat's, and that of much of France's Muslim community. Convinced that religion has a mission in society, they are unhappy with a state that maintains its neutrality between religious, nonreligious, and even antireligious forces. They favor Muslim participation in France's secular life, but, deep down, they desire state intervention on religion's behalf. With the dispute over the *hijab*, they breached the wall that has kept religion out of official institutions. Clearly they do not regard the battle as over.

EXCESS MANPOWER

RELIGION IS only one obstacle to the integration of the Muslim community into French society; temporal considerations also loom large. France welcomed the early waves of Muslims three decades ago, when the country was short of manpower; now, in an era of surplus labor, it treats their offspring as black sheep. The generation of the fathers contributed significantly to French society; the sons, economically superfluous, are more than the society can handle. A few of the offspring, women principally, have done well. But the young men, marooned in ghettos, too often drop out of school, join gangs, take drugs, engage in violent crime. The government, failing to ameliorate conditions for them, has left them as a problem for the police. Muslim extremists have plowed the field of their discontent.

In July 1995 Sheikh Abdelbaki Sahrawi, a well-known imam of a Paris mosque, was assassinated after condemning Islamic extremism

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in Algeria. The same summer saw a wave of extremist attacks in which nine people were killed and hundreds injured. The most dramatic incident was a July 25 bombing in the Paris subway, for which Algeria's Armed Islamic Group took credit, saying it was retaliation for French support of the Algerian government. The terror reduced France to panic, and placed police under tremendous pressure to find the killers. On September 29 an anti-terror squad killed a 25-year-old Algerian in a shootout in an industrial suburb of Lyon. The government maintained that the death solved the crimes, although other bombings, attempted bombings, and arrests continued well into this year.

"When I walk into a mosque, I'm at ease. When I see another Muslim, he smiles."

The man killed in the shootout, Khaled Kelkal, was born in Algeria and raised in a bleak public housing block near where he died. His story is a familiar one. He was one of ten children of a father who had migrated to France decades before in search of work. In 1990 the father lost his job in the economic downturn, and shortly afterward Kelkal, who had been an excellent student, was arrested and imprisoned for burglary. On his release two years later, he accompanied his mother on a visit to Algeria, during which, French police say, Islamic extremists recruited him. After that, he never found steady work. In August 1995 the police took his fingerprints off an explosive device attached to a railroad track near Lyon, and distributed copies of his photograph around the country. Kelkal went into hiding, and when security forces located him, French TV was with them. Viewers witnessed Kelkal's last moments, lying on the ground, apparently trying to raise the pistol in his hand to fire.

By chance, a German scholar studying France's ethnic conflicts had conducted a long interview with Kelkal in 1992. The text, which *Le Monde* published after Kelkal's death, depicts a thoughtful youth raised by caring parents, drawn to both studies and crime, angry at getting a lesser chance in life than French kids, attracted in prison to drugs and prayer, and finally choosing fundamentalist Islam.

"I'm neither Arab nor French," Kelkal told the interviewer in his slangy French. "I'm Muslim. . . . When I walk into a mosque, I'm at ease. They shake your hand, they treat you like an old friend. No suspicion,

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no prejudices. . . . When I see another Muslim in the street, he smiles, and we stop and talk. We recognize each other as brothers, even if we never met before."

No sooner was Kelkal's death announced than young Muslims rioted in the suburbs of Paris and Lyon, burning cars, smashing windows, looting stores, and attacking police. "The killing of Kelkal was the last straw," said Areski Dahmani, founder and president of France Plus, the only Muslim organization in France with an agenda that is more social than religious. Dahmani claims that, unlike the religious associations, France Plus gets its money at home, not from the Gulf states. The group likes to compare itself with American civil rights organizations. France's Muslims are at the bottom of the social heap, Dahmani contends, not because they need religious concessions but because France lacks a policy to end racial discrimination and high unemployment.

"Kelkal is seen as a martyr, a Robin Hood who defied the state," said Dahmani. "He is the product of the 20-year failure to integrate the races. France never really accepted its North African immigrants. Now the authorities see they have a potential fifth column of angry, state-hating young people, and they think that handing out a few peanuts will calm the situation down. But French society is not working. More and more people are excluded from participation. Unless there is dramatic change, we could fall into the abyss of civil war within a few years."

France Plus was founded a decade ago in response to the Islamic organizations then getting started in France. Its motto was "All the rights and all the duties of the citizen," and as its name implies, it urged young Muslims to become more French—to vote, finish school, join the police, enlist in the army. France Plus defied the predominant Muslim position on the *hijab* by urging parliament to approve an outright ban, arguing that the state's neutrality on religious questions is the Muslim community's best long-term guarantee of the right to practice its faith. France Plus claims to be the headquarters for 11,000 activists from 50 regional organizations with similar views. These views have earned it the opprobrium of the mainstream Muslim leadership, which routinely proclaims that France Plus is not Muslim at all.

"The demagogues in our community, in pushing for the *hijab* and sharia, are trying to achieve an ideological split," said Dahmani, an articulate man dressed in the latest fashion, who has been described

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as having political ambitions of his own. Born in France in 1950, he calls himself a nonpracticing Muslim. "They see the perpetual combat between religious and secular forces in France as a model for polarizing Muslims. They emphasize the differences between Eastern and Western concepts of civilization. Fortunately, we don't kill each other over our differences here—unlike in Algeria or Egypt, we debate our differences openly. France Plus sees France as the laboratory for an experiment that can serve all Islam. In our view, the extremists, in trying to undermine the experiment, are Islam's worst enemy.

"The means that we advocate are political. Our goal is power-sharing at every level. As Muslims, we have long been powerless, and France Plus is trying to overcome our weakness in political experience. But we don't want to repeat the mistake of American blacks and support only the liberal parties. The French left has taken our votes and given us little in return. Though the government has made France a modern state in organization and technology, on a human level, with left and right collaborating, it has created a disaster. We at France Plus believe that the more we spread our strength, the more the system will respond."

The high point of the organization's efforts came in the municipal elections of 1989, when candidates it supported competed for 2,000 seats and won a quarter of them. Sixty percent of the victors represented left-wing parties, and 40 percent, right-wing parties. Since that time, the trajectory has been downward, while backing for the fundamentalists, particularly among young Muslims in the suburbs, has steadily risen by every measure. Last year France Plus suffered a serious setback when the National Front—calling for the expulsion of immigrants to reduce French unemployment—won 15 percent of the vote in the presidential election. More directly threatening, National Front candidates won 1,000 seats in local assemblies and became mayor in three major cities.

WHO SPEAKS FOR THEM?

NOTWITHSTANDING ITS secularist vows, the French government, for practical reasons, gives formal recognition to religious communities and deals with them through bodies of their own choosing. On social matters like prison chaplaincies, it consults with the Catholic hierar-

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chy, the Grand Rabbinate, or the Protestant Federation. To handle matters like these, as well as security questions, France would like to have such a body for dealing with the Muslims. It annoys Paris that Islam contains no provision for a clerical hierarchy, and even more that the Muslim community is too divided to choose political chiefs.

The government holds that the Paris Mosque has the credentials to represent the Muslims. It has a longer history than any Muslim organization in France. More important, given the link the government sees between fundamentalism and security, the mosque is considered valuable for its liberal interpretation of Islam. It has also retained ties with the Algerian regime, which France supports in the current civil war. The problem is that most French Muslims view the mosque as both the Interior Ministry's pawn and Algeria's agent.

Even the government concedes that the Muslim community has little sympathy with Algeria's fundamentalist rebels; it is likely that only a small minority supports them. But Algerians in France are cool to Paris' support of the military regime in Algiers, and non-Algerians, who make up more than half of the community, do not like any mixing of Algerian politics into Muslim community life.

Last year the Interior Ministry tried giving the Paris Mosque a leg up on its rivals by awarding it a lucrative contract for supervision of all butchering under Muslim dietary law. The fees involved—some $100 million annually—were enough to assure the fidelity of the mosque while freeing it from Algeria's embrace. The Muslim community's protests of favoritism forced the ministry to withdraw the plan, however, leaving the government to lament that it still had no Muslim authority to talk to.

Dalil Boubaker, the Paris Mosque's rector since 1992, continues as the government's candidate for head Muslim of France. The son of an earlier rector of the mosque, he was born in Algeria in 1940 and has French citizenship. Trained as both a medical doctor and an Islamic scholar, his intellect impresses even Muslims who consider his politics too French. Visiting him at the mosque, I found his office door guarded by a secretary without *hijab* and a half-dozen French cops.

"No one can categorically define Islam, not as a culture or civilization or even as a religion." said Boubaker. He is a pudgy man with thinning hair, who wore a suit and tie but had an imam's robe hang-

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ing on a hook nearby. "Islam comes in many variations. The problem is that each Muslim thinks his own is the only real one. Here at the Paris Mosque, where Muslims from all over the world worship, we start with the premise that rationalism and modernity are components of religion. This view is guided by the uniqueness of the Muslim condition in France: we live as citizens under the laws of a non-Islamic country, and we must face issues in Islam that have never before been raised.

"We must face issues in Islam that have never before been raised."

"I do not accept, for example, the orthodox doctrine that Islam makes no distinction between religion and the state. The Prophet himself, after occupying Mecca in 630 A.D., returned to Medina to rule. This act says that Islam accepts the separation of the sacred and the temporal. From the time of the Umayyad Caliphate [661-750], Islam has recognized the sovereignty of the state. Living in France, in a Christian community under secular rule, we have no reason to reproach ourselves for violating Muslim ways.

"The French understand that we are willing to live under their laws. I sometimes think that French secularism is too static, too absolutist, in failing to take account of the spiritual needs of human society. But we do not want to deconstruct the patterns of French life. I don't like the term 'French Islam,' which Monsieur Pasqua and others have prescribed for us; the issue is more complex than that. But Islam evolves, and we are willing to practice within the context of French values. Many Muslims remain attached to a stagnant version of Islamic thought. But Islam is now at a crossroads, and can escape this stagnation. In France, we are ready to live our lives as good Frenchmen and French women."

In January 1995 the Paris Mosque published a long-awaited document, the Charter of the Muslim Faith in France, designed as a framework for Islamic organization and practice in the country. It condemned all forms of fundamentalism and fanaticism, insisting instead on moderation and dialogue for the resolution of differences both inside and outside the community. It denounced violence, while calling for the defense of Islamic values within the context of French law. It proposed a program for building mosques that would

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be apolitical and staffed by French-speaking imams prepared to swear an oath of loyalty to the French state.

Not surprisingly, the charter also named the Paris Mosque the official spokesman for the community. For most Muslims, this confirmed that the document was written on Pasqua's typewriter. To Pasqua's chagrin, most Muslim leaders proceeded to turn their back on the charter, leaving the government with one more useless document on its growing stack of failures to organize the Muslims of France.

TOTALLY FRENCH

PASQUA IS no longer minister of interior. In last year's presidential race he endorsed Édouard Balladur, hoping to become his prime minister. When Jacques Chirac was elected, Pasqua lost his cabinet post. He remains popular, however, and continues to wield considerable power at the local level, preserving his influence. The team he assembled at the Interior Ministry is intact, and his policies toward France's Muslims have become Chirac's policies.

A son of Corsicans who migrated to France from Greece, Pasqua received me in a handsome suite at the Conseil Général of Hauts-de-Seine, the wealthy Paris suburb that is regarded as his fief. He is a rotund man of 69 who boasts that he is 50 pounds lighter and in better health than he was a decade ago. His jovial style and thick accent are what the French describe as Mediterranean. When he speaks, he conveys the impression that his absence from high office is only temporary.

"The lack of structure in the Muslim community is dangerous," Pasqua said. "Anyone can proclaim himself an imam, without even speaking French. The institute at Chateau-Chinon is too fundamentalist to be a solution to the problem. The Paris Mosque remains our best hope, but I see now that it has got to cut its ties to Algeria and establish its independence. Boubaker is intelligent and totally French, and we should help him found a school for imams based on dogmas compatible with French life. If matters slide, the extremists will take over. France does not want to intrude into religion, only to safeguard national security. I only wish our politicians pursued this end with more vigor.

"The great majority of Muslims in France are loyal Frenchmen. But we have 50,000 or 100,000 who are influenced by fundamentalist doc-

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trines, practice a hard-core Islam, and are guided in their conduct by the Koran, not by the laws of the republic. Among them are maybe a thousand who are ready to turn to violence. We cannot allow such people to win in Algeria, and we can't allow them to affect our lives here."

After 20 years as a public official working with the Muslim community, Pasqua is no less frustrated than the members themselves with their sense of alienation from society. The conclusion both Muslims and non-Muslims in France seem to be reaching is that Muslim resistance to cultural change is indeed greater than that of earlier immigrant groups, and that pessimism about Muslim integration is justified.

Given the size of the community, this alienation is not a minor matter. Conflict in the Islamic world is likely to continue, and Muslims in France will inevitably be drawn in. Furthermore, to regard the problem as France's alone would be naive. The number of Muslims in Western Europe already exceeds ten million, and it is growing. All the Western democracies, in one form or another, face immigration pressures from the developing world that are unlikely to abate. The clash of cultures that some have predicted for the next century may not take place at the frontiers where these cultures meet, but rather, as events in France suggest, inside the borders of the Western states.

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Will Canada Unravel?

Charles F. Doran

PLOTTING A MAP IF QUEBEC SECEDES

EVER-LOUDER rumblings north of the border should not be dismissed as another Canadian nonevent. Potentially, they portend much greater consequences for American interests than many nationalist breakups around the world. Canada's dilemma, typically put, is the separation of Quebec. At least since the abortive rebellions of 1837-38, Quebecers seemingly have been revolting against Canada. The question has always been, "Will Quebec separate?" After a recent referendum in Quebec almost answered yes, Canadians have begun to ask other questions in more heated tones, such as, "Should Quebec be partitioned?" "For other Francophones and the rest of us," wrote Diane Francis, editor of *The Financial Post,* "[partition of Quebec] would rid this country of troublemakers who do not value Canada or its citizenship and who play fast and loose with the rule of law and minority rights." Quebecers, for their part, call partition dangerous, nonviable, undemocratic, and contrary to law. They regard it as a precedent that would threaten the geopolitical balance in North America. So the tensions increase.

From the perspective of the United States, the right question is: What would follow separation? This deeper question contemplates a Canada that may not only split into two parts—Quebec and the rest of Canada—but that may continue to fragment. This view of the problem is much broader, and it holds consequences in political, economic, and security terms that immediately draw the United States

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into a far more dramatic set of developments. Continuing fragmentation potentially involves powers outside North America in special treaties and coalitions. What starts as simple secession, or breakup, could end in a complex process of redefining the entire Canadian polity, rooted in nationalist stresses that turn out not to be restricted to former communist states and poor Third World countries but to affect all multiethnic states in the post–Cold War order. This more complicated picture of Quebec's separation and its consequences may be described as a worst-case scenario. But is the thesis of continuing Canadian fragmentation after Quebec's secession plausible? Could North America unravel? The United States must take the possibility seriously enough to draw up plans for a form of supranational affiliation with the remnants of Canada.

Ottawa, regardless of the party in power, has always argued that its problems of unity are manageable. While its strategy for dealing with Quebec has changed over time, it remains confident that the province can be convinced to remain in the confederation. Moreover, Ottawa is similarly confident that if Quebec were to separate, the rest of Canada would remain united. The principal argument is that the problem is Quebec's incessant demands for more autonomy. If these demands are met, separation will be thwarted. If they cannot be met and Quebec does secede, English-speaking Canada will nonetheless remain unified because the source of the difficulties would be gone. The remainder of Canada could get down to the serious business of living together.

Somewhat ironically, separatist Quebec agrees with Ottawa on this interpretation. Jacques Parizeau, formerly head of the separatist Parti Québécois and premier of Quebec, argues that if and when Quebec goes, the remainder of Canada will remain united. Part of the argument is surely cultural, namely, that English speakers can better communicate and defend their culture without Quebec; culture will unite. With Quebec gone, Ottawa will no longer be obliged to decentralize authority, and English Canada will survive as a unit and probably flourish.

Some outside Quebec believe, like Quebec nationalists, that separation would be good for Canada. Their argument stresses that so much redundancy exists in administration and so much money is spent on bilingualization and transferred needlessly from rich province to

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poor province in an effort to keep Quebec inside the confederation that after separation both Quebec and English-speaking Canada would be better off, financially and otherwise. Without addressing this contention, the same assumption occurs here: after Quebec leaves, Canada remains united.

An analyis of Canada's prospects therefore entails a twofold task. First is examining the grounds for Quebec's separation because, however the consequences are conceived, virtually everyone believes that separation would be required to trigger the breakup of Canada. The second task is to assess the basis for the view that Canada may Balkanize after Quebec separates.

WHY QUEBEC MAY SEPARATE

IN THE October 1995 referendum on Quebec separation, a handful of Francophone voters in Quebec decided the fate of Canada. A mere 53,000 voters, out of a constituency of 7.5 million, defeated the sovereigntist proposal. Perhaps the facts are alarmist, but they speak for themselves. There are reasons for the results to be taken very seriously.

A phenomenal 94 percent of registered voters in Quebec turned out, which suggests that they regarded secession as a matter of burning importance. Moreover, the assumption that Quebec voters would not accept the economic costs and risks of separation and were not subject to romantic sentiment on this issue proved wrong. Until a week before the referendum, virtually no one predicted the closeness of the vote. Only an enormous last-minute rally in Montreal by the no vote halted the separatist surge. The results are also important because some 63 percent of Francophone voters in Quebec supported separation, up from slightly over 50 percent in the 1980 referendum on the same issue. A similar percentage of Quebec voters in polls taken after the recent referendum indicated that they had not changed their minds and would vote the same way in the future.

An index of the bind in which Canada now finds itself is that the solution Ottawa has proposed to meet Quebec's demands is exactly the one a large majority of English-speaking Canadians oppose. To quench Quebec's desire for separation, Prime Minister Jean Chrétien has proposed three things: acknowledgment that Quebec is a dis-

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tinct society; creation of a veto against constitutional change, usable by every region including Quebec; and Quebec control over worker retraining. A nationwide poll at the end of 1995 showed the massive discontent among English-speaking citizens with such attempts to save Canada. Eighty-three percent of respondents across Canada did not want Quebec to have a constitutional veto. Indeed, the same percentage disagreed with Quebec nationalists on the issue of whether Canada is composed of two founding peoples, preferring instead to think of Canada as ten equal provinces. Some 61 percent said that Quebec should not even be constitutionally recognized as a distinct society.

A mere 53,000 out of 7.5 million eligible voters defeated separation.

Perhaps the monumental irony concerning these proposals for legal reform is that Quebecers themselves reject the proposals because they would not be embedded in the constitution. Given the bitter history of constitutional struggle in Canada and the current public disfavor toward reform, Quebecers can hardly be faulted for their skepticism that the legal reforms will ever be constitutionally entrenched. So, despite the welcome boldness of the prime minister's legal initiatives, neither English-speaking nor French-speaking Canada, in the end, accepts the terms of these initiatives.

In the same week that American newspapers were claiming that Quebec Premier Lucien Bouchard had softened his stance on separatism, he told the Quebec National Assembly that he was dedicated to the separation option and that the voters would decide on the issue at the next election. He also toughened the enforcement of language laws in firms with more than 50 employees, although not nearly as much as the fiery youth wing of his party wanted, and encouraged the introduction of linguistic school boards to limit the access of immigrant children to instruction in English. The healing of Quebec, if that is possible, unfortunately would solve very little. It can be seen to be as crucial to a separate Quebec as to a unified Canada.

Even if Ottawa honors the call to the mandated 1997 constitutional meetings, and even if the economy turns down, making all Canadians, including Quebecers, more cautious, English Canada is unlikely to be able to agree on how to deal with Quebec, and Premier Bouchard is then likely to assert that Ottawa has once again failed to

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live up to its constitutional pledges. While Bouchard has seen the need to focus on the economy and the problem of Quebec's enormous deficit, he has by no means jettisoned the goal of separation. Toning down his rhetoric and focusing on economic issues does not fundamentally alter his game plan. The game plan just becomes more subtle and perhaps less subject to challenge.

Nationalism, of course, is volatile. A combination of clever federal strategy and problems of governance inside Quebec as the Parti Québécois leadership attempts to solve its debt crisis may blunt the separatist impulse, but its staying power has been notable. Separatist preference is generational. The youth are most supportive. As each generation ages, the support within that generation retains its strength. If the trend in support for Quebec independence is to be reversed, the federalists need new vision and energy.

DIVISIONS, DIVISIONS

NEITHER THE Canadian federal government nor the Quebec separatist government nor outside analysts favoring a split in Canada predict any fragmentation of Canada beyond Quebec. Ottawa probably has felt it must downplay all hints of the danger of disunity. Yet recently Ottawa has reversed that policy by stating that if Quebec separated, Anglophone Montreal would have an incentive to secede and indeed would secede. So Ottawa is now taking the possibility of further fragmentation seriously. The reason Quebec City discounts fragmentation is clearly strategic: to admit that it could occur might increase English-speaking Canada's resistance to Quebec separatist demands because the cost of further splits to the remainder of Canada would be so high. Outside analysts tend to look only at the economic savings of a breakup and not the political consequences of additional fragmentation. It is time that they carefully examine the basis of continuing fragmentation of Canada, and of Quebec.

Three major difficulties would confront the federal government in its attempt to keep English-speaking Canada united after Quebec's secession. First, once the glue of federalism is gone, the rich provinces—British Columbia, Ontario, and Alberta—would no longer have incentives to subsidize the poor provinces like Newfoundland, Nova

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Scotia, and Manitoba. The average Albertan pays an annual tax of $900 to enable a province like Newfoundland, which receives 60 percent of its budget from the general slush fund, to remain semi-solvent and attached to the confederation. Much as in modern Germany, a kind of cohesion results from this regional welfare. But in the absence of a unified country, would that resident of Alberta or British Columbia be so inclined to pay this confederation tax?

Quebec must confront a paradox: If Canada is divisible, why is Quebec indivisible?

Second, an independent Quebec would geographically sever four provinces—Newfoundland, New Brunswick, Nova Scotia, and Prince Edward Island—from the rest of Canada. Undoubtedly, Quebec as an independent country would allow Canadians all the privileges of transit, communications, and the flow of goods, services, and people now accorded Americans vis-à-vis Canada or Mexico. But the feeling of being cut adrift would still prevail in Atlantic Canada. Although the potential for civil war surrounding Pakistan's separation from India is obviously absent, the sense of being cut off from the center of power felt in East Pakistan would certainly pertain to the easternmost part of Canada. Politics can sometimes overcome physical distance, but even the most benevolent independent Quebec would not be able to create a sense of geographic union between central and Atlantic Canada once it is breached.

A third difficulty, expressed by western Canada, would be the heightened feeling of alienation from and dominance by the economic power of Ontario. This feeling of dependence has been exacerbated by a tariff policy that forced westerners to buy dear in Toronto and sell cheap east or west, rather than follow the more traveled and profitable lines of commerce that flow north to south. The purpose of this so-called national policy was to jump-start the industrial base in central Canada, but, in the opinion of westerners, at their expense. With the advent of the Canada-U.S. Free Trade Agreement and NAFTA, the distortions of trade resulting from tariffs have disappeared, but the feelings of political and economic dependence in the west live on. For example, the federal Liberal Party of Canada has its power base in the industrial heartland of central Canada and is not well-represented west of Winnipeg.

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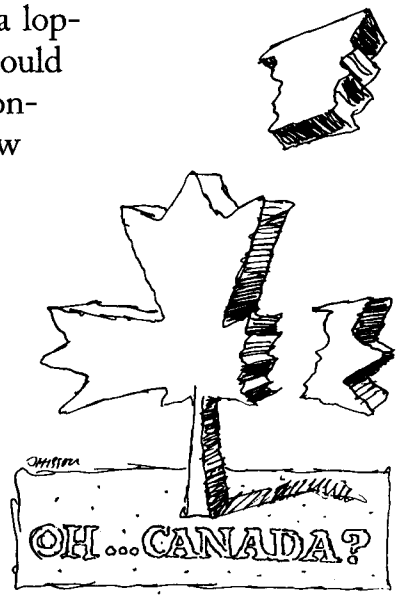

After a breakup, the English-speaking remnant of Canada would contain a lopsided distribution of power. Quebec could no longer balance and deflect discontent. Ontario would be like Snow White, the remaining provinces like eight dwarfs, not so much in terms of territory as in industrial capacity and population. Surely western Canada would demand a reshaping of government along the lines of the United States, with a coequal Senate and perhaps a more powerful House to offset the strength of the prime minister. But such a redistribution of power within a shrunken Canada, and away from Ottawa toward the western provinces, might likewise fail. It might amount to too much sacrifice for central Canada, but not enough gain for Alberta and British Columbia. In asking to be considered as a separate region coequal with Quebec, Ontario, the Maritimes, and the Prairie Provinces, among other ways, British Columbia is indicating that it already thinks of itself as different, powerful, and potentially autonomous.

Politically, an independent Quebec could survive adjustment, capital flight, and exchange-rate fluctuation in the short term and a lessened growth rate over the long term, if at a price. But could it remain whole? On the heels of Quebec's independence, English enclaves in the Ottawa River valley, west Montreal, and the Eastern Townships region might attempt to create separate city-states of their own. Likewise, the Cree and other Indian tribes and Inuit communities reject Quebec independence, either because their lands would be divided by jurisdictional separation or because they believe that Ottawa looks more favorably than Quebec City on their eventual self-government. Only in the twentieth century was the northernmost section of Quebec, Rupert's Land, formally granted to the province by British imperial authority. Potentially resource-rich, this territory contains such assets

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as the James Bay hydroelectric project. Quebec categorically denies the claims of others to state-building and separation.

Moreover, judging by the Czechoslovak experience in which the Czech segment finally called the bluff of the Slovak segment in 1992 regarding the latter's desire for independence, the Anglophone elements in Quebec could be playing a dangerous game. Were the claims of Anglophone Montrealers or the native peoples made compellingly and prior to the act of Quebec independence, they might thwart Quebec nationalism. But the claims are viewed in Quebec as relatively weak, and they are likely to come after Quebec's independence because of the limits of these groups for political mobilization. It would matter little which came first, whether Quebec declared secession and its English-speaking areas then broke away, or Francophone Quebec called the Anglophone bluff and dissociated itself from the English-speaking areas. In either case, separation would be costly in terms of territory and wealth for Francophone Quebec.

Quebec ultimately must confront the paradox of sovereignty. If Canada is divisible, then why is Quebec indivisible? If Quebec is indivisible, then on what grounds should Canada be obliged to allow Quebec's secession? In an age of ministates like Singapore and Luxembourg, the minimum requirement for self-government, however compromised, is not very substantial. Balkanization of an independent Quebec cannot be ruled out by the proviso of minimum state size.

Washington must be prepared for all contingencies. Fragmentation of Canada, depending on its nature and extent, would transfer some of the cost of administration from Ottawa to Washington. Washington increasingly would take on the jobs of peacemaker, adjudicator, rule-maker, and police officer. These are not roles that the United States should seek. Nor are they responsibilities Washington would necessarily be able to carry out better than any of the Canadian provinces or the Canadian federal government.

There is a reason that Canada has often been described as an overgoverned society: it has never been easy to govern. Over the years, the people of Quebec and every other province have grown accustomed to a high degree of governmental attention and many public services. No matter how arduously it tries, the United States cannot emulate that,

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especially if Canada breaks into a number of contentious pieces, each looking for a degree of harmony and support that has since disappeared.

THERE GOES THE NEIGHBORHOOD

THE TIFFS the United States has had with Canada in the past have been brief and relatively minor, at least from a global perspective. Canada has been a good neighbor. That is why a strong and united Canada remains not just a mantra but a genuine first preference, although there is little the United States can do to ensure that this preference is honored by Canadians.

If French-speaking Quebecers decide to opt out of the confederation, and they do it democratically, peacefully, and ultimately with the blessing of Ottawa, the United States cannot stand in their way. Quebec knows that negotiations over many things, including its independent entry into NAFTA, will not be automatic or simple. But if Quebecers take all the risks and costs into account and still decide to go for independence, no one south of their border has the right or the inclination to stop them. All the political cards will be reshuffled; all the unthinkable options will once again be reviewed in the United States and in Canada. Predictions are therefore unreliable, but analysis of various scenarios may highlight the more plausible outcomes.

The United States must have in place well-considered policies to deal with the unraveling of Canada, however unsatisfying that would be. Gordon Robertson, former clerk of the Canadian Privy Council and secretary to the cabinet, has argued for contingency legislation in case separation occurs. Given the awesomeness of a breakup, perhaps its very discussion will prevent it. But in this matter, the United States is not in the driver's seat. It should nonetheless be in the car that makes the journey, map in hand.

Despite the problems for U.S. diplomacy generated by a decentralization of the Canadian polity, in which multiple players demand a seat at the bargaining table (a situation that already pertains with regard to trade disputes over, for example, fish and softwood lumber), the United States ought to support Ottawa if decentralization is the strategy Canada deems necessary to save the federation. From the U.S. perspective, and perhaps from the Canadian, this strategy is less

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preferable than tight unity. But a second-best strategy can still be superior to alternatives if they amount to serious fragmentation of the country into several incongruous parts.

Only when the United States considers the alternatives will the decentralization of Canada, along the lines of the Swiss model, for instance, carry much appeal. At least with decentralization, the Canadian polity would remain whole and the burden of administration, peacekeeping, and the provision of services would remain primarily with Ottawa rather than Washington. Washington has enough domestic and international responsibilities without adding to its portfolio the task of attempting to administer an unwieldy group of squabbling provinces.

The United States must consider a new form of affiliation with Canadian fragments.

If, however, decentralization proves unworkable, or separation of Quebec occurs anyway, then the United States must consider further options. One is a new form of political interaction with those fragments that find themselves isolated. The concept is regional affiliation. Under certain circumstances, an affiliated polity could establish ties with the United States. The structure of this form of political subsidiarity will require careful thought. Its timing must not induce the separation that its existence is designed to prevent.

Economic association within NAFTA, no matter how useful in trade and commercial terms, is not a substitute for this new kind of political affiliation. Except for bounteous customs rules and an elaborate trade dispute resolution mechanism, NAFTA contains no institutional structure above the nation-state that will bind sovereign entities together. While at some time in the future NAFTA might become a common market or even the foundation of some form of political union, today that option is likely to involve both too much and too little: too much because NAFTA currently includes three states, too little because it probably will be unable to transform itself fast enough into the kind of substantive political institution that the situation would require.

A mere treaty to establish political ties would be insufficient. Such treaties would appear inevitable in the absence of other frameworks. But treaties are neither durable enough nor encompassing enough in

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terms of responsibilities. They raise the specter of coalitions, perhaps leading to participation by overseas states and unstable composition. Treaties alone are not capable of providing the constancy that North America will demand in political and security terms.

This new form of affiliation should be aimed midway between the fragility of a treaty and the rigidity of statehood. Political affiliation ought to address the basic needs of people. Freedom of movement for goods, services, capital, and people ought to be at the heart of the arrangement. Just as antidumping trade rules are unnecessary between New York and Pennsylvania, they should be unnecessary between the fragments of Canada and the United States. The United States would provide foreign security for these fragments; apart from an indigenous police force, they would not need a military. Citizens of an affiliated polity would serve in the U.S. armed forces, and payments would be made to the United States through an appropriate formula for the provision of this security. Yet the resulting entities would retain their own governments, pay for the bulk of their own services, and for the most part act as self-governing units.

Should political affiliation offer insufficient appeal to the isolated remnants of Canadian separation, the United States would need to consider further options. Statehood is one possibility. However, neither fragment nor polity should be under any illusion that the extension of statehood would be easy, automatic, or trouble-free. On the Canadian side, adjustment to the American lifestyle, to the kind of social safety net and medical insurance programs Americans favor, to a political system that pampers less and sometimes demands more, would not be easy, even for the most conservative members of the Reform Party. Moreover, the Canadian fragments ought not delude themselves. While adjustments could be phased in over time, and some exceptions could be made regarding conditions, the terms of admission to the United States would essentially be American. Admission means accession, not enosis.

On the U.S. side, statehood for one or more disgruntled Canadian provinces could likewise create strains. With the exception of perhaps one province, Alberta, most Canadian constituents would vote to the left of the American mainstream. Addition of new states north of the 49th parallel would thus affect the partisanship and voting balance of

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the American electorate. Some analysts assume that Canada is a cornucopia of minerals and raw materials that would suddenly open up, to U.S. advantage. Others believe that large new strategic benefits would flow to the United States, for example, from adhesion of a coastal province. But each of these expectations is likely to be disappointed. Since the private sector already controls the exploitation, processing, and distribution of raw materials and products, they are already available to the United States at market prices. Access to some raw materials such as water would in any case remain under the control of a provincial (or state) government and therefore unlikely to become more accessible to U.S. interests. Likewise, through the North American Air Defense Command and other bilateral defense agreements, Canada and the United States already closely coordinate their defense postures. How U.S. membership for a province could enhance this already close strategic partnership is a puzzle. But despite adjustment pains and sometimes conflicting values and institutions, adhesion could be made to work. Statehood for one or more dissident provinces is feasible. Realism, however, ought to shape expectations.

HANGING TOGETHER

IN THE AFTERMATH of the Cold War, is the system of world politics evolving toward larger and more stable polities? Or is the system devolving toward smaller, more fragmented states, cast adrift by the loss of ideology at the top of the system and rising nationalism at the bottom? At the turn of the 21st century, the real tension is caused by the struggle, on the one hand, of the huge multicultural state to survive, and on the other, by the thousands of populist, ethnic, and linguistic regional culture centers to carve out their own identities. Not limited to the poor Third World states, this new challenge to institutional authority is common to all multicultural states, regardless of political makeup or wealth.

Can North America stay whole in the face of centrifugal tendencies that could eventually spill over the borders of Canada? No one wants a North America composed of bits and pieces. Many would like it to replicate the increasing integration of Europe. Yet eventually North America could look more like the former Soviet Union, with

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one large state at the center, the United States, edged by a series of small, isolated, weak entities along its northern border. Where else cultural nationalism and regional fragmentation might take root is hard to predict. The challenge in North America is to shape a continent-wide framework that is reasonably cohesive and harmonious.

NAFTA cannot serve this unifying purpose since it has no political motivation, is already tripartite, is losing its North American focus as new members are admitted, and consciously rejects supranational institutions. The United States must therefore think more imaginatively about how to manage the aftermath of Quebec separation, which should no longer seem impossible or remote. Long accustomed to contemplating North America as a secure continental island untouched by the turmoil affecting other world regions, the United States may find that on the threshold of the 21st century, its relations with Canada are far from exceptional.

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Euro Fantasies

Rudi Dornbusch

COMMON CURRENCY AS PANACEA

FOR NEARLY 50 years, Europe has been on a course of ever-widening and -deepening integration. For just as long, Germany has been building a reputation as the global champion of hard money to which the deutsche mark stands as its monument. The proposed monetary union to create a common currency in Europe joins these two strands: Europe gets German monetary integrity, and Germany blends into Europe.

The Maastricht Treaty, concluded in December 1991, is the prenuptial agreement for this marriage. However, on the way to union doubts loom larger than joy. Still in question are the benefits to be derived, the suitability of the partners, and relations with outside parties. These questions are particularly acrimonious because the tight timetable (see p. 112) for converting to a common currency destroys illusions, as does Europe's poor economic performance. Europe has 18 million unemployed, and no one knows what to do with them. German Chancellor Helmut Kohl, German industry, and German banks all agree that the common currency, provided under the European Monetary Union (EMU) is a must. Promoters of "social union" are equally eager; they see integration as a way to ameliorate an economic system that they regard as having too much competition and too little social justice.

Those who question the drive toward a common European currency include monetary hawks, that is, most of Germany's population and its central Bundesbank; excluded bystanders, such as Central European countries; and benevolent spectators in the United States.

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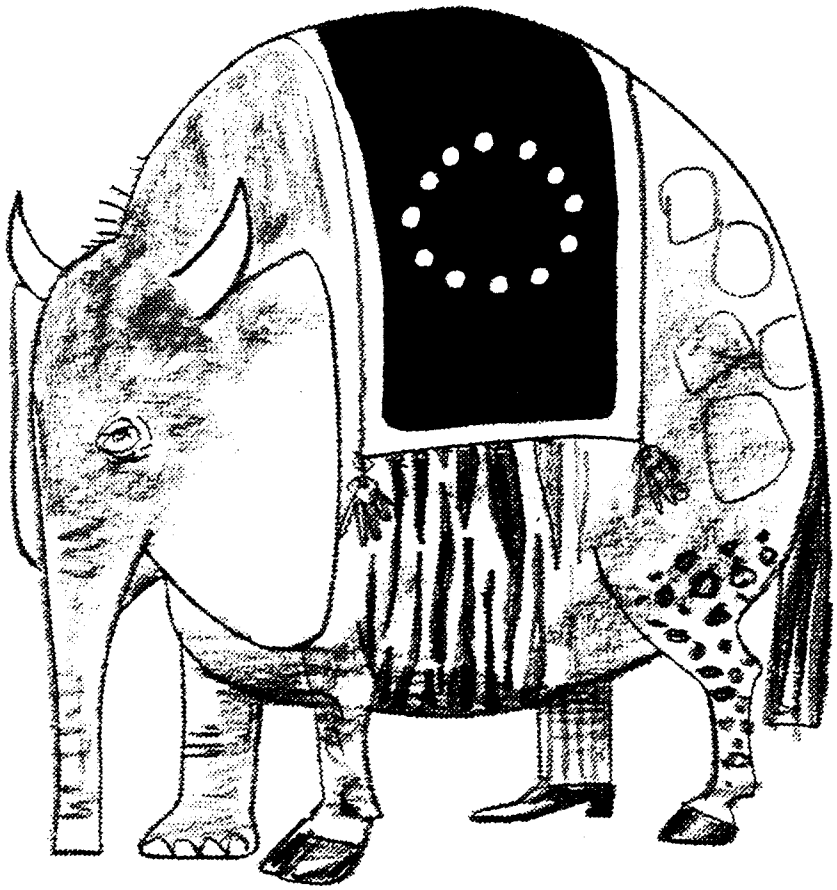

CARTOONISTS & WRITERS SYNDICATE

The prospective partners in EMU who financially live from hand to mouth—France, Italy, Spain—are cheering monetary union. They still believe it is a miracle cure for rotten public finance and generations of debased currency, but they are also wincing as they are weighed in for the race to the Maastricht goal. Meanwhile, Britain is searching its soul. The Labour party wisely is favorably inclined toward the monetary union—a safe and pragmatic strategy with which to tear the Conservatives apart.

Achievement of a common currency is being touted as Europe's event of the century even as its real impact is in doubt. EMU could create a powerful and vigorous Europe, politically and economically cohesive and financially strong enough to dwarf the United States and the dollar. Or it might turn out to be a nonevent. Then again, financial markets might blow it away before it even starts, or bureaucratic bean counters might strangle it by rigid application of the Maastricht tests (see p. 112), thus ruling the partners unfit to con-

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THE MAASTRICHT TREATY

The Maastricht Treaty, agreed on by European leaders in December 1991 and signed in February 1992, sets out a blueprint for monetary union—the accession criteria for EU countries and the institutions to regulate the new money. In both respects, great care was taken to make sure the new money would be good money.

CRITERIA

Partnership in the union requires that a candidate meet several key criteria:

- Budget deficits must be below 3 percent of GDP.
- The public ratio of debt to GDP must be less than 60 percent.
- The inflation rate must be no higher than 1.5 percentage points above the average of the three lowest-inflation countries in the union.
- Long-term interest rates (as a measure of inflationary expectations) must not exceed by more than 2 percentage points those of the three best-performing countries.
- Candidates must not have experienced a devaluation of their currency for at least two years.

INSTITUTIONS

The treaty sets up the European Monetary Institute (EMI), now in operation in Frankfurt, as a transition institution to prepare the ground for the European Central Bank (ECB). The ECB's independence from national political influence is firmly on the books and beyond tinkering. Its governing board cannot seek or accept instructions from national governments. The ECB's structure is modeled on that of the Bundesbank. Financing of public-sector deficits by the ECB is prohibited by an explicit "no bailout" clause for public debt. The ECB's mandate, narrower than that of the U.S. Federal Reserve or the Bundesbank, is price stability, plain and simple. The name of the new currency is the euro.

TIMETABLE

The Maastricht Treaty provides for a stepwise transition to a common currency. The key dates on the horizon:

- Early 1998: examination as to which countries, based on 1997 data, meet the criteria for monetary union. The executive board of the ECB will be appointed.
- January 1999: irrevocably fixed exchange rates and common monetary policy is set for the EMU countries. National currencies will continue to exist, but with fixed exchange rates. Monetary policy will be conducted by the ECB for the member countries from day one.
- January 2002, at the latest: euro notes and coins will be put into circulation and national currencies withdrawn. Within six months national currencies will lose legal tender status.

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summate the union. The most likely scenario is that EMU will occur but will neither end Europe's currency troubles nor solve its prosperity problem. Euro-fantasies envision EMU as a panacea, or at least a pivotal step toward making Europe wonderful—politically, culturally, economically, socially, financially. Do not hold your breath.

EMU IN PERSPECTIVE

IN THE PAST few months, the probability of a European Monetary Union has increased. The turning point was undoubtedly the French government's success in facing down labor opposition and pushing through the bulk of the government's budget cuts. The French also pushed their interest rates below German levels, demonstrating that in the EMU context France could be a hard-currency country. The performance impressed Kohl and gave him confidence that Germany and France could pursue monetary union together.

So EMU has gone from being an improbable and bad idea to a bad idea that is about to come true. High unemployment, low growth, discomfort with a welfare state that is no longer affordable—all these issues have found new hope of resolution in a desperate bid for a common money, as if that could address the real problems of Europe. On the contrary, the hard work of attaining a common currency, meeting the demanding Maastricht criteria for admission to EMU is adding to the burden of an already mismanaged Europe. The struggle to achieve monetary union under the Maastricht formula may be remembered as one of the more useless battles in European history. The costs of getting there are large, the economic benefits minimal, and the prospects for disappointment major.

At the outset, European integration was a historic move to bring Germany and France together and thus avoid the recurrent wars that have plagued this century. Then European integrationists developed bigger ambitions—the creation of a common market with no obstacles to trade in goods and services or the movement of people. Monetary union was seen as the next step on the way to full union. Even as that agenda is being implemented, the circle of candidates for inclusion in the European Union (EU) widens, public disenchantment grows, and the contradictions between enlarging the circle and deepening the in-

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tegration of members become more apparent. Kohl has recognized that unless he pushes hard for EMU, the concept will fall by the wayside, and he is not alone. The French, too, want EMU. Their reason is surely not to build bridges that avoid future conflict—Germany and France by now are as tight as the United States and Canada. The reason is that no French minister of finance dares go to bed not knowing where the franc will be in the morning. Monetary union will allow them a good night's sleep, the first in a decade. And then there are all the other candidates who are trying to get a bit of credibility for budgetary policies and currency rates that do not quite make it without membership: Ireland, Belgium, Scandinavian countries, Italy, and Spain.

The push for a common currency may go down in history as one of Europe's useless battles.

By April 1998 the key membership decisions will be made; by 1999 currencies will be pegged to each other; by 2002 there will be only the new currency, the euro. But that won't be the end of the story. Frustrating relations between the included and the excluded countries will jeopardize much of the gain from adopting a common money.

CLEARING THE HURDLES

THERE IS virtually no country, including Germany and France, whose budget today meets the Maastricht criteria. As a result, all Europe is simultaneously plunging into budget-cutting and will likely suffer an economic slowdown. These reductions are appropriate even without EMU, but their timing and size will add to its ultimate cost, stunt growth, and raise unemployment. Monetary authorities in these countries have shown no inclination to accommodate these consequences. They have their own agenda of holding tightly to the criteria until the last moment on the timetable, thus shaping the "right" attitude for the new central European bank. The combination of overly tight monetary policy and determined budget-cutting suggests a tough time ahead for Europe.

An even more important issue is what happens to those who cannot or do not want to be part of the monetary union. Britain has shown an aversion to full inclusion. British pragmatism stops at the

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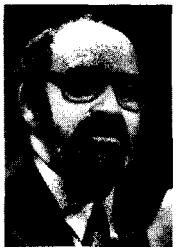

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proposal of inflation-targeting as the common bond. Joining the monetary cult is too much.

Italy, with its undervalued currency, poses another problem. France wants Italy to be in so that further competitive depreciation becomes impossible. But once Italy is in, with an appreciated currency, the country will soon be back on the ropes, just as in 1992, when the currency came under attack. The matter of the "outs" comes down to a simple question: What can be offered to Britain and Italy to induce them to join the EMU club? Germany's unlimited, unconditional defense of their currencies is enough of a reward for Italy. Predictably, Germany is utterly unwilling to take that offer,

FINANCIAL OUTLOOK OF EMI CONTENDERS FOR 1997

Nation	Debt as % of GDP	Deficit as % of GDP	Inflation
Belgium	131.1	3.7	1.7
Denmark	56.9	3.7	2.5
France	56.9	3.7	1.3
Germany	62.4	3.6	1.5
Ireland	80.3	2.6	2.4
Italy	124.8	6.4	2.9
Netherlands	78.2	2.7	1.8
Portugal	70.7	4.2	2.7
Spain	79.8	3.1	3.0
United Kingdom	62.0	3.7	2.5

Source: OECD *Economic Outlook*, June 1996

leaving France sulking in the wings. Everybody is waiting and hoping that Italy and Britain, the soft currencies when the Maastricht Treaty was enacted in 1992, will make it a point of pride to show that they are European, they are willing to be hard-currency countries, and they will do the pushups necessary to join. Do not wait for

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Britain; the Labour government has as much trouble at home with the proposed Social Charter as with the European Central Bank.

Assuming EMU is a foregone conclusion, vital questions remain about whether inclusion is the right choice for various parties, the potential for economic benefits, the expected role of the European Central Bank, and the amount of sovereignty EMU members will give up.

MAKING THE CUT

WITHOUT GERMANY and France, of course, there will be no EMU. For Germany, EMU is a political step reflecting the deeply held belief that domestic stability requires an unbreakable link with France; nothing else matters in this context. Few north European advocates of EMU lose sleep over the exclusion of Greece, Portugal, even Italy or Spain. Assuming France and Germany are founders, how will they structure the debate about fulfilling the Maastricht criteria? Where will they draw the line between the "ins" and "outs"?

The present financial condition of most European countries suggests that a narrow reading of the Maastricht criteria sets too-high ratios of debt to GDP and deficit to GDP. Moreover, undue optimism about the strength of a 1997 economic recovery is pervasive. Without a solid recovery, everybody's deficit numbers will look far worse, and prospects will be dim for meeting the Maastricht requirement of a deficit below three percent of GDP. Politicians may not be able to afford to let the market toss around these questions for the next two years. A more likely and practical scenario is that an assumption will be made that France, Germany, and a small group of nations are progressing toward monetary union. They will lay out a demanding three-year program of fiscal adjustment that puts them below the Maastricht targets by 1998. That will serve as a justification for fudging a bit by these countries on the strict criteria for EMU entry.

Monetary union is like a marriage: passion fades but prenuptial agreements endure.

Which other countries will also be allowed to fudge? Belgium cannot pass even a fudged test unless its debt is written off; it now has twice the maximum indebtedness allowable under the Maas-

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tricht Treaty. There is an interesting precedent in the country's 1926 overindebtedness and funding crisis. In a forced consolidation, Belgium gave the national railways to bondholders, an approach that Belgium's plentiful supply of public enterprises would allow today. Belgium is a northern European darling and hard-money partner, which ought to call for some special concessions.

Italy is surely off the list for immediate consideration, even though German and French industry want to put Italian competition on a short leash by excluding competitive currency depreciation. The fact is that they cannot; Italy has such high debt and deficit levels that it could not be cleaned up enough to pass German scrutiny for first-wave entry into EMU.

France and Germany will be allowed to fudge on meeting the criteria, but who else?

There is an overriding issue in the "ins" versus "outs" debate. Monetary union is like marriage between partners of very unequal assets. Prenuptial arrangements are naturally the rule and must be followed closely. But when the passion is gone, the agreements endure. In forging the agreement, German bondholders, who have the most to lose, rule supreme. While France has oscillated between hard and soft money, Germany has built a strong, consistent coalition of bondholders and the Bundesbank. Kohl would make a big mistake if he threatened the bondholders, who are savers and who fear, if not remember, debased currency. For that reason, Italy will not be a first-wave entrant, since German bondholders view it (rightly or wrongly) as the incarnation of monetary delinquency. A credible case for fudging the Maastricht timetable can be made for Germany and France, but not for countries with bad fiscal reputations.

If there are "ins" and "outs," which is it better to be? For Italy, out is clearly better initially. Because the French are tied in knots over Italian competitiveness and fear another round of competitive depreciation, they are willing to make deals to help Italy come on board. For Italy, the key to making exchange rate commitments will be an offer from Germany of "unconditional, unlimited intervention" in support of the lira. Hell will freeze over before that comes about. Yet Italy could gain from professing interest in EMU mem-

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bership; doing so would help in the country's inevitable fight over its own budget. More important, a public request for membership is a signal to investors of Italy's economic intentions, which helps bring down interest rates and improve the budget.

If Germany and France do initiate EMU as expected, a structured process to incorporate the "outs" would follow. But because Germany will not offer exchange rate guarantees, much of the burden would fall on the "outs" who will have to lay out their convergence programs and do the work. Italy will be urged to consolidate its public finance. London will feel pressured by the prospect of losing large amounts of financial business to Frankfurt. As EMU gets under way, the pressure on the "outs" will increase because including them is essential to ultimate EMU success. For stragglers like Britain, who are indifferent or picky, the strategy will be to raise the ante. For financially tainted, would-be members like Italy, it will be to push harder.

If London is "out," it may begin to worry about losing financial business to Frankfurt.

The EMU is a particularly difficult issue for Eastern European countries. They are on a slow course of incorporation into the European Union but remain financially weak. Were EMU an integrating mechanism, early inclusion would be critical. But this aspect of EMU is overdone. An option for "out" countries like the Czech Republic and Poland would be the adoption of the euro as their national currency, just as Argentina has effectively done with the dollar. Such a move would help with financial stability, but it would come at the cost of losing the exchange rate as an adjustment tool.

BENEFITS AND PROBLEMS

WHATEVER persuaded European leaders in 1991 to single out money as the key vehicle of political integration, it is a poor choice. Money at its best is apolitical, and the European central bank will accomplish that. Leaving aside the political benefits, if any, from integrating currencies, can economic gains be reaped? EMU is unlike the all-important customs union and the brilliant scheme of completing the internal market. Those dramatic initiatives carried in-

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centives to make the European market, desperately uncompetitive and segmented as it was, into one large unit. The imagination was captured by the vast and highly competitive U.S. market, and the initiative was both bold and worthy. EMU has little of that.

Currency integration will bring two benefits in two ways. First, the elimination of cumbersome money-changing will make transactions more convenient and reduce the costs of making payments. Second, exchange-rate volatility will be reduced, to zero in fact, and businesses will be better able to trade and invest across intra-European borders. But by itself a single market does not mean integration of the means of payment. The value of a euro in Barcelona will not necessarily be computed the same in Berlin until and unless a transfer system, akin to the U.S. Federal Reserve's inter-bank wires, is accompanied by a requirement to clear all checks at par. Such a requirement, which would protect against stiff and varying charges by oligopolistic banks, is vitally important to business.

Minor gains in the stability of the deutsche mark–franc rates could be more than offset by the increased volatility of rates to outside markets and investors. Were that so, trade integration would be captured by the "ins" at the expense of Europe's "outs" and the rest of the world, from Eastern Europe to the United States. However, there is little evidence that currency volatility, low as it has been, is an impediment to trade. As a result, reduced volatility between the "ins" will not change the landscape of trade and investment in Europe much. In the meantime, it can be used to pressure countries like Britain to be in or really out.

Will Europe, governed by one money, do fundamentally better? The French view is emphatically positive: if Italy cannot devalue anymore, it cannot steal French jobs. Thus for France, one money is great. But its enthusiasm is based on a fallacy, because what is at issue is the real rate of exchange adjusted for costs. If the nominal exchange rate cannot change, for equilibrium the real rate must change. Expect wages and prices to do the work. The French may be right to believe that it is far more difficult to make adjustments by deflation than by devaluation. But that is small comfort.

In countries with highly flexible wages, the exchange-rate regime makes little difference. In countries with rigid labor markets, like

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most of those in Europe, flexible exchange rates are all-important. The most serious criticism of EMU is that by abandoning exchange rate adjustments it transfers to the labor market the task of adjusting for competitiveness and relative prices. Without wage flexibility, the adjustment process is frustrated; losses in output and employment (and pressure on the European central bank to inflate) will predominate. The overriding cost of an integrated monetary area is that nominal exchange rates disappear as an adjustment mechanism. If a region goes into decline, say, because its exports become obsolete, deflation has to take the place of devaluation. If a region experiences a boom, say, because it has superior research, education, and trade performance, inflation takes the place of appreciation.

Good central banking is apolitical, and the more so the better.

Exchange rates as an adjustment tool have a good history, Mexico and Latin America notwithstanding. Forcing adjustment into the labor market, the European market with the poorest performance, is bound to fail. In backward regions unemployment will rise, as will social problems and complaints about integration. If exchange rates are abandoned as an economic tool, something else must take their place. Maastricht promoters have carefully avoided spelling out just what that might be. Competitive labor markets is the answer, but that is a dirty word in social-welfare Europe.

EMU AND SOVEREIGNTY

THE CREATION of a European monetary union is not a natural part of the process of trimming sovereignty in favor of a more integrated Europe. It is not a first step, with foreign policy and defense naturally following soon. On the contrary, depoliticized money is the ambition around the world. Creating an independent central bank in New Zealand or Chile is mostly the same as creating a European central bank. The intent is to transfer the regulation of money from short-sighted and politically vulnerable legislators to conservative managers who have long time horizons and are accountable only for what they achieve.

In a European central bank, money management would be removed from national authorities. Even if money management were

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already institutionalized in an appropriate way, as in Germany, it would simply be moved up one layer to a Europe-wide level. For many European countries, that would be the only way to liberate their central banks from political influence—literally to move them into a single out-of-town house. For others, it would be merely a lateral move, from an independent body shadowing Germany to one subsuming it. The point is: good central banking is apolitical, and the more apolitical the better. That is what a European central bank is all about. And that is why EMU is not a transfer of sovereignty over money but a Europe-wide abdication.

Money management by a central bank, of course, is unlike defense and foreign policies, which are intrinsically political. In defense and foreign policies, citizens broadly want peace (most of the time), but that is where agreement ends. The task is reconciling conflicting national objectives, views, traditions, or cultures. In money management, everyone wants the same thing—stable money. So in defense and foreign policies, the transfer of sovereignty means giving up something real and precious. Giving up nationally managed money is just kicking a bad habit! The difference could not be greater.

CENTRAL BANK ORTHODOXY

ITALIANS DREAM that the European central bank will make their life easier than the Bundesbank does now. For Germans the prospect is a nightmare. Their fears are unjustified. The new central bank is certain to establish itself at the outset as a direct continuation of the German central bank, the current pillar of European monetary orthodoxy. This result is assured by the narrow rules of the game but even more by other factors. Those selected for the board of a central bank, in the spotlight of public attention, immediately turn conservative, as has routinely happened at the U.S. Federal Reserve. As member nations will also want their representatives to be influential, the European central bank is likely to be composed of prestigious conservatives. Of prime importance will be the board chairman, who will chart the bank's course with no precedents in place. If, as now seems likely, Willem Duisenberg of the Netherlands central bank

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heads the European central bank, the assurance of hard money is carved in stone. After all, Duisenberg has on occasion expressed the fear that Germany could turn soft!

It is obvious the European central bank will be off to a good start, if that is measured by keeping interest rates high and inflation low. The trouble is that Europe by then may be in deep trouble: accelerated budget-cutting combined with tough central banking led by the Bundesbank spells trouble. Unfortunately, central banking in Europe does not buy into the concept that budget-cutting requires accommodating monetary policy. That means Europe between now and 2000 cannot expect much growth. Europe's new currency, far from creating prosperity, may in the end be blamed for a period of poor performance. If the current national central banks accommodate by easing monetary policy, growth can go on harmoniously and unimpeded. If central banks misread their role, deficit-cutting will wind up as a recessionary debacle, and EMU will be blamed for it.

The central bank may begin well, but by then Europe's economy may be in trouble.

A BETTER EMU

IN SETTING up the Maastricht criteria, policymakers focused on avoiding pollution of the central bank's objectives by member countries' weak fiscal positions. High debt and deficits, from this perspective, are an invitation to monetization and "inflating away" of fiscal problems. At the extreme, treasury departments go straight to central banks to be accommodated. The separation of the two institutions is entirely appropriate. So is the current emphasis on smaller deficits, if only because of the vast unfunded pension liabilities on the horizon. But it is also true that the reasoning that screens out high-debt and high-deficit countries as threats to the integrity of a European central bank can be used against high-unemployment countries. In these countries, plausibly, policymakers will turn to a central bank to seek help—a bit more money, a few more jobs. The incentive to inflate is just the same as in accommodation of jobs; inflating away debt is just as easy as inflating away unemployment.

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Neither may work, but the attempt or the expectation of an attempt will be counterproductive.

The implication is that EMU should include an outright unemployment ceiling. Countries with more than, say, six percent structural unemployment should not be members. They should be required to undertake the structural and macroeconomic policies (including loosening economic regulations, reducing excessive benefits, etc.) that bring unemployment down to levels that are not a threat to the European central bank. If the Maastricht requirements were structured that way, they would initiate a supply-side revolution. Countries would be falling all over themselves to create jobs by deregulation instead of destroying jobs by taxation. Unfortunately, although the logic is impeccable, Europe's good economics have yet to reach the labor market.

Inflating away debt is as tempting as inflating away unemployment.

Experimenting with a new money is a bad idea at a time when Europe must face the tough realities of abolishing the welfare state, reintegrating millions of unemployed into a normal working life, deregulating statist-corporatist economies, cultivating the supply side of its economy, and integrating Central Europe. The new money creates insignificant benefits at best while frustrating adjustment and restricting pragmatic cooperation. From outside Europe, a common money and the efforts necessary to get it are viewed as deeply misdirected and ill-timed steps that will make Europe a weak link in the world economy.

Although approving of the evolution of a European common market, the United States is fearful about EMU. The first was seen as contributing to prosperity and thus political stability. The second is seen as carrying a high risk of contributing to recession and thus to political trouble, which has always been expensive for the world. Europeans, with their rose-tinted Euro-glasses, do not see that prospect. The U.S. skepticism comes from the belief that tying up currencies forces the adjustment elsewhere, resulting in high interest rates and high unemployment. Having lived through that when the dollar was overvalued in the 1960s, the United States has never been a fan of fixed rates. Watching the recurrent currency crises in

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Europe in the 1980s has reinforced that opinion. The United States has substantial flexibility in both wages and labor market institutions. With such arrangements it could conceivably enter a regime of fixed exchange rates. Europe has neither flexible wages nor functioning labor markets, but already has mass unemployment. EMU will add to it, both on the way there and once the system is trapped in fixed rates across vastly divergent countries. If there was ever a bad idea, EMU is it.

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Reviews

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Fallen heroes: Tadeusz Mazowiecki, Lech Wałęsa, and other supporters of Solidarity, 1985

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Review Essay

Liberalism in the Ruins

Having It All

Stephen Holmes

Liberalism's Crooked Circle: Letters to Adam Michnik. BY IRA KATZNELSON. Princeton: Princeton University Press, 1996, 185 pp. $19.95.

This unusual and inventive work by Ira Katznelson, professor of political science at Columbia University, is an insider's account, more testament than analysis, of "the impact of the wreckage of Soviet-style socialism on the left." Because the author's spirits are naturally buoyant, exhortation easily prevails over lamentation. Katznelson means to rally American liberals behind a stirring cause, "the renewal of the democratic left."

In pursuit of that, Katznelson has addressed two long "letters" to a Polish friend, Adam Michnik, Solidarity's legendary tribune, now editor in chief of his country's best-selling daily. This literary conceit, while it has its charms, is not altogether felicitous. Before 1989 Katznelson could plausibly connect his own political causes in the United States to those of intellectuals in faroff lands. Now, even though the world is no longer cleft in twain, American partisan struggles seem increasingly local and the problems of postcommunism in Europe very distant.

Katznelson nevertheless insists on informing his old friend that "liberalism needs socialism." Readers might wonder how Michnik himself will react to such a lesson. Will he cast off his nonsocialist liberalism, disassociating himself from Poland's free market reforms, and embrace an imagined third way "where liberalism and socialism meet"? After languishing in jail for his subversive ideas, will he bow to

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Adam Michnik (center) among dissidents recently freed from prison, Warsaw, 1984

the revelation that liberal rights are frequently scams? Having escaped a regime that exerted lethal pressure on family life, will he now train a coldly critical eye on the distinction between public and private spheres? More generally, will inhabitants of poor countries react serenely when a professor from the land of plenty instructs them on the vices of capitalism and suggests experimenting with yet-untried economic models?

That Katznelson does not bother to tiptoe around Eastern European sensibilities is disconcerting at first, but his book's central claims are not really addressed to Adam Michnik and are certainly not meant to clarify the problems of contemporary Poland. His real purpose is "to engage in the fight for the kind of liberalism we should wish to have" in America.

"In the 1960s," Katznelson begins by reporting, "I forswore the label 'liberal' as tainted by racism, imperialism, militarism, and class domination." Smudges on the label "socialist" he apparently found easier to abide. But time passes, and today he can announce, "I have come to value politics grounded in the liberal tradition." He even admits unwincingly that "the elimination of private property is neither possible nor desirable." But while for all practical purposes he is reconciled to liberalism, he considers it twice deficient. It is not egalitarian enough, he declares,

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and it does not embrace religious and ethnic diversity to the proper degree and in the proper way.

LIBERAL INEQUALITIES

In Letter One Katznelson argues, first, that liberalism is insufficiently egalitarian and, second, that its shortcomings in this essential area can be remedied by reaching out for nourishment to the great socialist tradition. He defends these claims with esprit and grace. But do they make sense? Has not liberalism always been a mixed bag, frequently including within itself a sharp dispute between egalitarian and anti-egalitarian schools? (Consider the differences between John Rawls and Milton Friedman.) At times Katznelson admits as much, discerning "an egalitarian thrust within the liberal tradition." While repudiating public ownership and the equalization of income or wealth, many self-identified liberals nevertheless favor the relief of desperation, a generous bottom floor, and decent opportunities for all. Why need liberalism study at the feet of socialism to be sensitized to the ordeal of the poor?

Katznelson is on a more promising track when he lambastes the libertarian fantasy of a wholly unregulated private economy, which he rightly believes can inhibit realistic public discussion of economic policy. He also correctly protests what he considers "the right wing's successful capture of the meaning of 1989," although he leaves his objection undeveloped. For the last thing the end of communism teaches is that all government intervention in the free market is vicious and undesirable. On the contrary, what the postcommunist experience makes palpably clear is the extent to which thriving market economies presuppose effective liberal states, capable of enforcing contracts, stabilizing the currency, breaking up monopolies, regulating banks to maximize available long-term credit, and investing in infrastructure and skills. Creating a minimal state has proved breathtakingly difficult throughout Eastern Europe and the former Soviet Union because it is nearly impossible to concentrate enough power in uncorrupted and politically accountable hands to repress force and fraud in exchange relations while leaving private dealmaking otherwise largely unconstrained.

To be sure, classical liberal theory accepts economic inequality, cheerfully or regretfully, as an inevitable side effect of growth. Tolerance for income inequality, most liberals agree, is a necessary precondition for the emergence and maintenance of a productive agricultural economy, capable of lowering the cost of subsistence goods relative to wages. To wipe out the archaic scourge of famine, it was necessary to break loose from the archaic inequality taboo.

But liberals have also advanced political arguments favoring tolerance of economic inequality. A strong central government with dangerous discretionary powers is necessary, at least for national defense and the repression of organized crime, but such a government can be held in check only by a well-functioning civil society, and civil society can be built most safely and durably around private property—an institution that necessarily yields significant inequalities of welfare. Few liberals would subscribe to Katznelson's narrative of loss, in which "capitalism privatizes political power" that once upon a time was publicly owned or de-

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mocratically controlled. Liberal theory, on the contrary, presupposes that capitalist elites, while their disproportionate and morally dubious power looks repugnant from a standpoint of ideal fairness, appear less heinous when compared to historical alternatives such as warrior, theocratic, landed aristocratic, or bureaucratic elites. To assign government the task of relieving the indigent is reasonable, moreover, but the power to rectify all inequalities must not be irresistibly strong because tomorrow it may be cruelly misused for partisan, sectarian, or personal ends.

Katznelson does not attack these arguments because, to tell the truth, he tacitly accepts them, mentioning euphemistically the "distasteful" or "unpleasant" consequences of excessively egalitarian policies (meaning Stalinism). This recognition leads him to a "self-limiting socialism" advocating a more equitable income distribution—that is, a "tilting" of the playing field a bit more toward the poor than anti-egalitarian liberals would like. Thus he does not go much beyond liberalism but more or less joins the old debate between weak-state and strong-state liberals, siding with the latter on how to strike a proper balance between society's justifiable need for state help and society's justifiable worry about state interference.

CULTURALLY CORRECT

The second letter exhibits the same brio and imperfections as the first. This time around, the principle liberalism neglects is cultural pluralism. Focused on isolated individuals, liberalism does not notice that people are always enmeshed in groups, drenched in traditions, enthralled by shared norms, and caught up in the pursuit of collective aims. Naively or perversely, liberalism fails to realize that involuntary membership and adhesion shape human beings' most elemental preferences. Because it is simultaneously individualistic and universalistic, liberalism even denies culture and group life an honorable place in society. Katznelson gives liberalism some modest credit here, admitting it arose "to protect heterogeneity and cope with its perils." He goes so far as to allow that liberalism is "the only great political tradition to affirm and contain moral and group pluralism" (that is, the freedom to think and speak differently). But these concessions pale before the downpour of criticism to which Katznelson subjects liberals for failing to incorporate cultural pluralism in the manner he desires.

Liberalism is essentially culture-blind. It conceives of society rationalistically, as a network of consumers and producers, airbrushing out emotional solidarities and moral ties. It celebrates scientific inquiry, which has no use for local traditions. Obsessed with the evils of tribalism and fundamentalism, it elevates voluntary agreement or contract into a model for desirable social relations and does everything in its power to tarnish the nonchosen communal attachments of ethnicity and culture, just as secular humanism besmirches religion in the name of rationality. Liberals, Katznelson says, do not understand that cultural identities "order and confer meaning on people's lives," that "they are the stuff of beauty and nobility as well as danger." Referring to his own ethnicity and religion, the author avouches his "unwillingness to think these superstitious or provincial." To keep the faith, he believes,

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he must stand outside or against the Enlightenment to some extent.

To fathom this sinister side of Enlightenment liberalism and comprehend Katznelson's discomfort with it, one need only examine colonialism, that is, haughty Europe's subjugation of the non-Western world. The rights of man—that universal and abstract, therefore nonexistent, being—were in part a ploy by racist Europeans to delegitimate the indigenous cultures of soon-to-be-colonized countries. Secularism likewise is a parochial European assault on non-Western ways of life.

This line of reasoning, while spry and pleasurable to read, is unsatisfactory. First, Katznelson does not examine the relation between multiculturalism and other forms of social pluralism (the pluralisms of professions, classes, localities, and clans, or the pluralisms of social sectors: economy, politics, religion, family, science, art, education, law, entertainment, and so forth). This is a significant silence because the rise and spread of noncultural pluralisms—along with literacy, industrialization, and migration from the countryside to the city—have contributed a good deal more than liberal ideology to the weakening of family influence and inherited cultural identity.

Many other questions can and should be raised. Why, for instance, does Katznelson put away his critical sensibility as soon as he gets near the topic of cultural identity? Why does he not scrutinize the norm of loyalty to one's ascriptive group, even though unelected group leaders draw disproportionate advantage from their underlings' self-surrender? It may make sense to protect minorities against forced assimilation, say, by funding minority schools. But does Katznelson believe minorities have a right to be protected against their members' voluntary assimilation into the wider society and dominant culture? If so, what coercive measures would he allow? Why does he one-sidedly blame liberalism for the crimes of colonialism without inquiring if liberalism made any contribution to decolonization movements? What evidence would disprove the hypothesis that cultural groups cannot flourish in a liberal polity? Would Katznelson deny that the extravagant multiculturalism of New York City owes something to American liberalism? Finally, while liberalism, as he notes, is "incapable of taming the ferocity of human attachments," is he wise to intimate that he has a realistic scheme "to favor difference but stop the killing" in ethnic infernos such as Bosnia?

THE JEWISH QUESTION

Then one comes to what is undoubtedly the most delicate point in the book: the Jewish question. Katznelson is clearly a decent man, so readers should refrain from overreacting or drawing false analogies but, rather, probe why he, in chapters freely mixing the personal and the theoretical, is astringent about Michnik's treatment of "the case of Poland's Jews." Katznelson knows that Michnik was raised in an assimilated Jewish household; that he, unlike many Polish Jews, did not leave the country in 1968; and that he explicitly takes as his guide in life democracy, civil rights, and individual freedoms rather than Jewish traditions, in which he has little interest. Whenever Michnik has been confronted with populist anti-Semitism, he has publicly proclaimed that he is a Jew. But that cuts no

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ice with Katznelson, who also complains of Michnik's lack of solidarity with the Jewish nation and the State of Israel, capping his recitation with, "So many recusals, so little affirmation; are Jews merely a metaphor for suffering?"

What troubles Katznelson is that Michnik combats anti-Semitism "by asserting rationalist and universal principles" and has thereby "downplayed Jewish culture and particularity." After having fiercely attacked primitive forms of nationalism and censoriously devout forms of Catholicism, he has ended up siding with the very same Enlightenment that preached infidelity to cultural traditions, "was deeply hostile to Judaism," and did not allow the Jews "to define their own . . . system of rationality." And he committed a double folly in embracing liberalism, for liberals are chronically numb to "the value of deep cultural diversity." Although Michnik's reveling in "Polish authenticity" irritates him, Katznelson sees Polish Catholic culture as less culpable than the Enlightenment. Why does Michnik, despite his lineage, underemphasize the extermination of Poland's Jews? Because, Katznelson says, he is a liberal.

The argument is obviously far-fetched, but it has an underlying logic that deserves to be spelled out before being criticized. As a doctrine that urges the state to pull out of social and economic life, hands-off liberalism, Katznelson says, left cultural minorities exposed to the depredations of cultural majorities. Liberalism granted nineteenth-century European Jews "exit visas," allowing them to shed their Jewishness and debouch from their ghettoes, but liberals from the dominant culture did not genuinely accept such assimilating Jews as equal citizens. Duped by the abstract rights of man into relinquishing "the once secure confinement of compact spatial communities in a hostile environment," Jews took on "the status of unanchored and terribly vulnerable liberal citizens."

One may wonder how well shielded Central European Jews would have been if their lives had never been touched in any way by the Enlightenment or the rights of man. But the real problem with Katznelson's approach is moral rather than historical. Does he really believe that Adam Michnik has a special duty to stand up for minority rights simply because of his biological ancestry? (Or would he say, like a Rawlsian liberal, that every individual, regardless of ethnicity or race, has exactly the same duty to stand up for minority rights?) Why will Katznelson not allow Michnik, who is obviously something of a romantic patriot, to choose his cultural identification as he likes, especially since any choice he makes will cost him, not us, dearly? Katznelson should not dismiss these questions lightly, for if Michnik is still in any sense a man of the left, it is because he associates leftism with a vibrant affirmation of secularism and cosmopolitanism and trueness to one's sense of one's self.

My hunch is that Katznelson finds Michnik's failure to identify with his Jewishness distressing principally because he itches to impose an American cultural model on Eastern Europe. In the United States, as Katznelson himself mentions, it is possible to be an Italian-American or Polish-American. But this hyphenated pattern is fabulously uncommon, as the rarity of, say, Italian-Frenchmen or Polish-Germans suggests. In the United States, moreover, it became possible in the 1960s and 1970s for young Jews in New York

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City or Cambridge, Massachusetts, to join the mainstream of American society and nevertheless remain completely Jewish, without having to undergo any ordeal of assimilation and without toning down their Jewish gestures or habits or beliefs. But the unproblematic ease with which American Jews can now meld into the wider world while still cleaving to their roots is an improbable historical achievement. It seems pointless to berate Adam Michnik for failing to reproduce it in east central Europe.

IMMACULATE HANDS

When all is said and done, Katznelson does not demonstrate convincingly that he has gone beyond liberalism, not, at least, as that doctrine is articulated by classical liberal theorists or illustrated by societies routinely considered liberal. But one reason his book is gripping nevertheless is for its unintentional depiction of the latent clash between universalism and particularism, in the author's mind as in liberal thought. Katznelson's basic thesis is that liberalism must be embellished by fairness and cultural pluralism. But even if readers accept that, they still must ask: How do fairness and pluralism jibe? Are equality and loyalty wholly compatible? And how does Katznelson reconcile rebelliousness (toward economic hierarchies) with submissiveness (toward cultural norms)?

To unlock the secret of Katznelson's unfrightening radicalism, return briefly to the New Left and its affinity with Eastern European dissidents before 1989. When highbrow leftists used to espouse "critical theory," what they sometimes had in mind was a theory that could not itself be criticized, that is to say, a theory that under no conceivable circumstances could be associated with harm, injustice, oppression, or evil. What sort of theory is this? It is a theory that pillories the status quo, judged by some airy ideal, without offering any concrete alternative (which might possess some defects of its own). It is a talkative theory with immaculate hands. In this spirit, Katznelson roundly rejects marxism "as a formula for social organization and revolutionary transformation" and embraces Marxism "as a critical tool with which to interrogate capitalism and prod liberalism to a reflexive recognition of its limits and silences."

This selective Marxism, critical but otherwise unarmed, helps explain why the pre-1989 dissidents "exhilarated" Katznelson. He was not merely snatching a vicarious courage by identifying with brave young rebels. Although Eastern European dissidents were virulently anti-Marxist, some American leftists plausibly viewed them as alter egos because they exuded a "familiar distrust of authority." Their anti-power ethos and disgust with bureaucracy were easily recognizable by participants in the American student movement. Their protests, too, were more expressive than strategic. Thus Katznelson can proclaim that "the democratic opposition in East Europe, speaking truth to power, was the very incarnation of 'left.'" Critical theory does not respond to power with power but answers wrongdoing solely with the flowers of individual conscience. Katznelson even commends '68ers in both Paris and Warsaw for "miniaturizing the concept of revolution," which sounds like waging a make-believe war with toy soldiers. Or rather, the rebellion was real enough to

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be exciting but not dangerous enough to risk seizing power. When Katznelson observes, "I think Michnik will discover that he and I remain children of 1968," he may be reminding readers that critical theorists should not be blamed because they have not been given the keys to the car.

Katznelson's humane attempt to supplement liberal theory, as he understands it, with generous doses of fairness and cultural pluralism may or may not help make America a more decent place to live. But the chances that such fine-spun lucubrations will remedy inequities and bigotries in unstable postcommunist societies anytime soon are vanishingly small. Classical liberalism, however, is just as dispiritingly deficient in some respects, in the post–Cold War world, as doctrinaire libertarianism or Katznelson's semisocialist multiculturalism. Classical liberalism is poorly equipped to conceptualize the postcommunist syndrome, first of all because the basic principle of liberal property systems ("give back what was stolen") is flagrantly implausible under scoundrel capitalism without rules, where well-placed officials larcenously scooped up public assets to inaugurate the system and entrepreneurial wealth remains inseparable from illegality, intimidation, and even contract killings. Similarly, the rule of law and majority rule are powerful principles, but they begin to operate effectively only after the fundamental questions—Who is a member of the community? and Where are the borders of the state?—have been answered. The rule of law and majority rule could not stave off the butchery in Bosnia. Indeed, the embarrassment of liberalism on the matter of state frontiers can be gleaned from the primary liberal claim about borders: they are perfectly arbitrary and therefore cannot be touched.

When borders, for whatever reasons, are up for grabs, political entrepreneurs may mobilize support for redrawing them along "cultural" lines. They will do so jingoistically, conjuring up imagined enemies against whom they offer protection or recalling historical injuries for which they promise sweet revenge. Problems can arise even where borders remain unquestioned when cultural diversity is nested into weak states. State weakness can be a problem in such cases, because a decent state has to shelter individual members of vulnerable minorities from majoritarian abuse. Katznelson's tale of nineteenth-century Central European Jewry draws attention to that truth. If the state is too disorganized or insolvent or corrupt to provide such protection, members of a vulnerable minority will naturally circle the wagons and subordinate themselves to whichever leaders can plausibly offer sanctuary, even if on illiberal terms (that is, when bosses are unquestioned, disagreement banned, and defectors killed). If Katznelson thinks solicitude for individuals in such cases demonstrates insufficient respect for the rich life of cultural groups, he has a real beef with liberalism and its privileging of personal over collective rights. If he is sympathetic to that approach, he is simply one more liberal who appreciates communitarian solidarities so long as they cause no unconscionable harm.

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Recent Books on International Relations

Political and Legal

FRANCIS FUKUYAMA

Preventing Violent Conflicts: A Strategy for Preventive Diplomacy. BY MICHAEL S. LUND. Washington: U.S. Institute of Peace Press, 1996, 220 pp. $14.95 (paper).

Since the debacles in Somalia, Bosnia, and Rwanda, the buzzword in Washington has been "preventive diplomacy" as the key to future intervention. The idea that the international community should intervene in local conflicts at an early stage, before they escalate and entail onerous consequences for both local populations and foreign humanitarian donors, clearly makes a great deal of sense. This book, which reports on the work of a study group commissioned by the State Department, provides both historical case studies of failed and successful efforts at preventive diplomacy and a "tool kit" for carrying it out. Reading through the recommendations, it becomes clear that neither the goals nor the methods presented here are new when applied to core interests of great powers like the United States. When the United States dispatched the marines and Robert D. Murphy to Lebanon in 1958, and Philip Habib to that country in 1981, it was practicing preventive diplomacy in an area considered vital to its concerns. What is new is the idea that early intervention ought to be carried out on a multilateral basis and, more significantly, applied to local conflicts where the direct interests of the international community are small and primarily humanitarian. The latter involves a political choice, whose feasibility in the United States is probably considerably shakier than the author of the report concedes.

Democracy's Place. BY IAN SHAPIRO. Ithaca: Cornell University Press, 1996, 261 pp. $45.00 (paper, $16.95).

This collection of seven essays provides measured critiques of many of the existing

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theories of democracy, including the public choice school of Buchanan and Tullock, John Rawls' theory of distributive justice, and Locke's theory of the labor origin of value. In the end he tends to favor minimalist approaches to democratic theory, like that of Joseph Schumpeter, which emphasize fair procedural rules over attempts to define distributive justice substantively. He argues sensibly that defining democracy in this fashion keeps the best from becoming the enemy of the good when applied to real-world situations like the emerging democratic order in South Africa. Shapiro's approach is also more realistic because it takes into account the actual political processes by which democratic outcomes must be attained—a point that escapes many theorists.

Radical Democracy. BY C. DOUGLAS LUMMIS. Ithaca: Cornell University Press, 1996, 185 pp. $24.95.

Since the collapse of communism, there has been a dearth of realistic ideas on how to redefine an agenda for the left. The present volume accepts the general conclusion that socialism's former heavy dependence on the state to bring about social equality led to a dead end, and suggests a highly energized "civil society" of activists and networked local communities in its place. The author argues that such political arrangements will not work, however, in the absence of a democratized economy, which evidently means a return to family farming, craft production, and the like. He contends that "the people" do not want the alienated life created for them by technology and contemporary industrialization, though they have been voting with their feet in favor of capitalist prosperity pretty convincingly for some time now. The author argues that no wealth has been amassed in the modern world without being taken from somebody else—a bizarre observation for a Western academic teaching in East Asia, which has independently caught up with the West rather rapidly in recent years. In contrast to Ian Shapiro, Lummis faces a major question of how you get from there from here, given that the left must abjure state power and the power of other large institutions.

Beyond Progress: An Interpretive Odyssey to the Future. BY HUGH DE SANTIS. Chicago: University of Chicago Press, 1996, 307 pp. $42.50 (paper, $15.95).

In an extended essay that is impressive in its scope and ambition, the author questions the value of economic and political progress. He notes that progressive views of history (or recently, declinist theories from the likes of Ezra F. Vogel and Paul Kennedy) have always had a particular fascination for Americans, with their belief in American exceptionalism. He points out, however, that the American model has serious flaws and that it is not possible to sustain faith in progress in light of the experiences of the twentieth century. He proposes in its place an international order based less on American models and more on what he calls mutuality, a perspective emphasizing regionalism, cultural tolerance, and social inclusivity.

On closer examination, De Santis' new concept is not terribly radical: he supports modernization and free trade, but shorn of any Western triumphalism and leavened with social policies to equalize the rich and poor of the world. The problem is that the wealth creation necessary to make this happen is closely

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tied to those Western institutions and policies whose promulgation he finds distasteful. Western culture, with its promise of progress, is as much sought by non-Western peoples as it is promoted by the United States. Some of his specific proposals are confusing; he wants security arrangements to be organized regionally, but does not like NATO expansion, the one proposal for European security actually on the table.

On the Causes of War. BY HIDEMI SUGANAMI. New York: Oxford University Press, 1996, 235 pp. $62.00.

This book begins with a critique of Kenneth N. Waltz's "system level" explanations for the origins of war, arguing that the condition of "international anarchy" and the distribution of power among states do little more to explain the origins of specific wars than do arguments from abstract causes like human nature. He argues instead that the underlying causes of war are so varied as to not permit generalization, while the specific short-term paths to war can be more easily classified. The author is good at deconstructing existing theories of war, but he fails to put forward any clear hypothesis about this phenomenon.

Coping with Conflict after the Cold War. EDITED BY EDWARD A. KOLODZIEJ AND ROGER E. KANET. Baltimore: Johns Hopkins University Press, 1996, 407 pp. $49.95.

There is hardly a topic in post–Cold War international politics this volume does not deal with, from discussions of U.S., Russian, Japanese, and Chinese perspectives on world order to chapters on the United Nations, the European Union, peacekeeping, arms control, and economics. Many of the individual contributions are good and overlap in interesting ways with those of the Lund and Brown volumes. The editors, however, have exercised less discipline in keeping the study focused, and the "template" offered for coping with conflict—considerably less detailed than in the Lund and Brown books—does not obviously emerge from the material presented.

The International Dimensions of Internal Conflict. EDITED BY MICHAEL E. BROWN. Cambridge: MIT Press, 1996, 653 pp. $50.00 (paper, $25.00).

This massive volume exhaustively analyzes the domestic, regional, and international dimensions of internal conflicts, seeking to go beyond the "ancient hatreds" interpretation of popular journalism to understand why such conflicts are occurring now and how they might be ameliorated. The individual chapters treat regional and functional topics in depth, and the editor does a better job than most in synthesizing the findings of the collection's authors. Unfortunately, many of the prescriptions for international action, such as "place more emphasis on underlying problems and long-term solutions," or "promote economic development, opportunity, and justice," beg the question of how they are to be achieved, at what cost, and with what tradeoffs. Market-driven economic growth and opportunity, for example, often come at the expense of social equality; which should the international community favor? While a country like the United States can seek to export its liberal institutions, to what extent can it promote a culture of tolerance in distant lands and forestall ethnic violence? The

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volume recognizes these complexities, however, and provides a useful framework for dealing with specific cases.

Challenging Boundaries: Global Flows, Territorial Identities. EDITED BY MICHAEL J. SHAPIRO AND HAYWARD R. ALKER. Minneapolis: University of Minnesota Press, 1996, 493 pp. $21.95 (paper).

This postmodernist collection of essays "constitute[s] a literary intervention in the process by which all those discourses and systems of intelligibility that fail to contest dominant territorialities have daily helped to reproduce the international imaginary." The authors begin by challenging the traditional view that the end of scholarship should be to seek the truth, based either on empirical evidence or on careful interpretation; rather, its purpose should be to challenge existing "hegemonies"—in this case, states, legal systems, or other conventional forms of order—as systems of domination. The individual essays then go on to deconstruct orthodoxies about boundaries, territorial and moral—for example, they argue that Hitler was not beyond the bounds of the Western tradition but rather was representative of its racism. The book contains a number of useful critiques of positivistic social science, such as Jim George's discussion of realist theory. Having abandoned the standards of reason and truth, however, it becomes difficult for the authors to defend their own political preferences—an agenda emphasizing non-Western cultures, identity politics, feminism, and the like—in universalistic terms.

The New Interventionism: United Nations Experience in Cambodia, Former Yugoslavia, and Somalia. EDITED BY JAMES MAYALL. New York: Cambridge University Press, 1996, 238 pp. $49.95 (paper, $16.95).

A sober assessment of the three major U.N. interventions of this decade. The editor concludes that no "new world order" has emerged for a variety of reasons: the U.N. peacekeeping bureaucracy is too unwieldy to handle the complex political and military tasks assigned to it; the member states have not accepted open-ended commitments to nation-building of older U.N. protectorates or trusteeships; and public opinion in member countries is fickle and excessively sensitive to casualties and costs. The book makes some modest suggestions for improving U.N. operations but notes that the fundamental problem lies in the confused political ends sought by member states and their unwillingness to pursue consistently even the modest goals they set themselves.

The Art of Bargaining. BY RICHARD NED LEBOW. Baltimore: Johns Hopkins University Press, 1996, 193 pp. $24.95.

This book constitutes the text for an introductory course on bargaining. It goes beyond *Getting to Yes* by Roger Fisher and William Ury by distinguishing between accommodative and competitive strategies and by making explicit the power basis underlying bargains. While many of the examples are taken from international relations, the book, with its clearly written rules and logical order, is of general interest to anyone seeking to analyze a bargaining situation.

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Economic, Social, and Environmental

RICHARD N. COOPER

The Future of Capitalism: How Today's Economic Forces Will Shape Tomorrow's World. BY LESTER C. THUROW. New York: William Morrow, 1996, 385 pp. $25.00.

This is a book with a majestic sweep. It addresses the fate of capitalism as both a set of values and a framework for organizing the economy and society amid what Thurow calls the moving tectonic plates of the contemporary world: the shift in the emphasis of technology from physical power to brain power, the rapid aging of the population of rich countries, the emergence of global competition and diffusion of authority, and, paradoxically, the demise of communism as an adversary. A key problem, in the author's view, is that the "theology" of capitalism, despite its name, makes no systematic provision for, nor even takes a clear view of, the future. Who is to provide for education, infrastructure, and environmental protection? Over the last 40 years, many major U.S. public investments—superhighways, graduate scholarships for scientists, the space program—were motivated or justified by national security. But without national competition, ideologies, like firms, will grow conservative and resistant to change. The short-term horizons and self-preoccupation of an aging population also do not bode well for the future vitality of the system.

In the author's view, Western society now needs a long-run communalism to supplement its short-run individualism. Thurow, a professor of economics in MIT's Sloan School of Management, is sometimes glib and tendentious in his treatment of facts and trends, and he offers no solutions or clear forecasts beyond these irresistible pressures on the status quo. But his book contains a great deal of interesting material and thought-provoking argument.

Against the Tide: An Intellectual History of Free Trade. BY DOUGLAS A. IRWIN. Princeton: Princeton University Press, 1996, 265 pp. $29.95.

Freedom of international trade has been favored by most economists since Adam Smith made a powerful case for it 220 years ago. Since then, free trade doctrine has come under sustained intellectual assault by politicians, businessmen, labor leaders, and even some economists. But the coherent arguments for trade restrictions all contain one or more of three attributes: their conclusions are not robust when small alterations are made in their assumptions, thus they require unrealistically precise information for effective application; they are less efficient than other policies for achieving the same goals; and their gains come at the expense of other countries, inviting emulation or retaliation that generally negates the supposed benefit. The latter danger points logically to a pact of mutual restraint among countries, such as the General Agreement on Tariffs and Trade (managed by the new World Trade Organization), which recognizes that trade is an expansible sum from which all can gain. Douglas Irwin provides a superb examination, in readable but closely reasoned form, of the intellectual history and the analytical content of the

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various assaults on free trade over the years. The bibliography alone is worth the price.

World Economic Primacy, 1500–1900. BY CHARLES P. KINDLEBERGER. New York: Oxford University Press, 1996, 269 pp. $35.00.

In 1990 the Luxembourg Institute for European and International Studies inaugurated a program on the "vitality of nations," a term that is vague but pregnant with meaning. A product of that effort, this book focuses on the economic dimension but interprets changes in vitality more broadly. It offers a sweeping review of European economic history since 1500 but also includes late-twentieth century America and Japan. Positing a life cycle for nations—from youthful vigor and innovation through mature self-confidence to institutional sclerosis and distributional deadlock—it offers a panorama of the rise and decline of national economies on the world stage. The author, a distinguished economic historian who taught at MIT for over three decades, is agnostic about the future. He is pessimistic about Japan's prospects for taking the mantle of world economic leadership, but he is also pessimistic about the United States. He emphasizes the slowdown in (measured) U.S. productivity growth, the low U.S. savings rate, and the growing American preoccupation with financial assets rather than production. But this is a book to be read for its stimulating intellectual and historical excursions rather than its conclusions.

Freer Markets, More Rules: Regulatory Reform in Advanced Industrial Countries. BY STEVEN K. VOGEL. Ithaca: Cornell University Press, 1996, 300 pp. $35.00.

The empirical core of this well-argued book is regulatory reform of telecommunications and finance in Britain and Japan during the past two decades, along with brief discussions of France, Germany, and the United States. The author suggests several reasons why, even though the basic arguments for it had been around for years, deregulation began in the 1970s, principally in the United States, and spread internationally: competitive pressures, policy emulation, and in some cases direct U.S. pressure to open markets. The main thesis is that "deregulation" is a misnomer for a complex, widespread phenomenon. True, it involved substantial government disengagement from business activity in Britain and the United States, although in the former that entailed substantial formalization of the remaining regulatory process as a substitute for state ownership or industry self-regulation. In Japan, by contrast, it involved above all preserving the authority of various competing ministerial bureaucracies in the face of technological, domestic, and foreign pressures, primarily through tight control of regulatory reform, making "deregulation" more coherent, protective of existing interests, and slow. France and Germany, with significant differences, were closer to Japan than to Britain. A secondary thesis of the book is that regulatory reform has been driven mainly by governments, not by interest groups as much democratic theory

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would have it. Interest groups influenced but did not control the process.

The Forgiving Air: Understanding Environmental Change. BY RICHARD C. J. SOMERVILLE. Berkeley: University of California Press, 1996, 195 pp. $21.95.

A clearly written primer on the physics and chemistry of the earth's atmosphere and how they can produce such socially relevant phenomena as ozone depletion, acid rain, and global climate change. Somerville, a professor of meteorology at Scripps Institution of Oceanography, has performed a useful service by explaining these complex events in simple prose, with scholarly modesty about what is actually known, and interesting side remarks on the complex character of modern science and the diverse motivations of its practitioners.

Snow Job? The War against International Cocaine Trafficking. BY KEVIN JACK RILEY. New Brunswick: Transaction Publishers, 1996, 303 pp. $32.95.

This book is a thorough and informative RAND corporation study of the international aspects of the U.S. war on drugs, especially the efforts to eradicate coca production in Bolivia, Colombia, and Peru and to interdict cocaine shipped mainly from Colombia. It reports many tactical successes, but overall strategic failure. The primary reason is the underlying economics. Compared with alternatives, coca can be grown widely with attractive returns to the peasant farmer. Successful limitations on supplies reaching the market would drive up the price, attracting new areas into cultivation and new refiners into production. In fact, street prices of cocaine declined erratically over the decade 1982-92, despite greatly intensified U.S. and local efforts to stop the flow.

The book does not offer a comprehensive survey of the U.S. campaign against cocaine but observes that the total U.S. effort is fragmented among many agencies and corresponding congressional committees, making budgetary reallocation among the components extremely difficult. The author suggests that, per dollar of effort, the rewards are likely to be much higher for prevention and treatment than for eradication and interdiction, but this otherwise valuable study presents only part of the analysis required to reach that conclusion convincingly.

Military, Scientific, and Technological

ELIOT A. COHEN

Ben-Gurion's Spy: The Story of the Political Scandal that Shaped Modern Israel. BY SHABTAI TEVETH. New York: Columbia University Press, 1996, 310 pp. $29.95.

The author, who is something less than halfway through a multivolume biography of Israel's founding prime minister, David Ben-Gurion, has taken a break from that mammoth effort to write this volume. It describes the Lavon affair, a disastrous Israeli covert operation in Egypt in the early 1950s intended to induce Britain to remain in the Suez Canal zone and the United States to adopt a position of hostility toward Egyptian nationalists. The Israeli agents were uncovered, and the

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ensuing scandal not only toppled Defense Minister Pinchas Lavon, but tore apart the Labor Party and eventually led to the downfall of Ben-Gurion himself, who had turned on his former protégé. Teveth pushes some of his conclusions a bit further than the evidence may warrant—it is difficult to see the germs of the Lebanon war in the shenanigans of an out-of-control sabotage effort 30 years earlier—but he tells the story with skill. Moreover, he has mastered a vast quantity of documentary material and oral history, making this an authoritative as well as a powerful rendering of how clever politicians can conduct amazingly stupid and destructive secret policies.

The New Military in Russia: Ten Myths that Shape the Image. BY RICHARD F. STAAR. Annapolis: Naval Institute Press, 1996, 248 pp. $41.95 (paper, $16.95).

A dense book packed with footnotes and tables, in which the author takes a dark view of the Russian military's present and future. Despite its claims to the contrary, the military engages in politics, resists reform, seeks to preserve the military-industrial complex, flouts arms control treaties, and generally poses a considerable threat to the future of Russian democracy and the tranquillity of Russia's neighbors. Staar's credentials, including diplomatic service and a doctorate in political science, are considerable, and he has amassed a great deal of interesting Russian-language material to support his contentions. One wonders, however, whether the decay of the Russian army, the turmoil of the Russian economy, and the gradual liberalization of Russia's political culture might not ameliorate the dark trends the author sees, and one wishes there were more argument and less mere fact-assembling here. Still, a disturbing book worth a look.

Secret and Sanctioned: Covert Operations and the American Presidency. BY STEPHEN F. KNOTT. New York: Oxford University Press, 1996, 241 pp. $27.50.

This is really two books, the first an account based largely on secondary sources and published papers of covert action by American presidents from Washington through Lincoln, the second a polemic against congressional micromanagement (or, should one view it differently, close supervision) of the intelligence community. The first is an interesting if fairly conventional account of the actions of American spies, agents of influence, and covert operators working under the direction of senior political leaders, but the second is a rehash of old debates about congressional oversight of clandestine operations, in which the author takes an unambiguously hostile view of legislative interference, as he sees it, in executive activity. This preoccupation with the controversies of the present mars the book's treatment of the past. Covert action in 1990 is not quite what it was in 1850, and the author sometimes makes too much of the accomplishments of spies. Lincoln's campaign for the hearts and minds of North American and European populations was far more an overt than a covert effort, yet one might not think so after reading this account. Still, particularly in its first six chapters, the student of American intelligence will find a useful ac-

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count of successful cloak-and-dagger work that predates this century.

Intentions and Capabilities: Estimates on Soviet Strategic Forces, 1950–1983. EDITED BY DONALD P. STEURY. Washington: CIA Center for the Study of Intelligence, 1996, 504 pp. $67.00 (paper).

This compendium of documents opens a view into a subject that may seem increasingly arcane to students of international relations: assessments of Soviet nuclear (misnamed "strategic") forces by the American intelligence community. This collection of National Intelligence Estimates spans the so-called "bomber" and "missile" gaps, the Soviet buildup of the 1960s and 1970s, the accuracy debate, and the Team B experiment in competitive analysis. The editor is perhaps too protective of the amour-propre of the intelligence community at large and the CIA in particular, but the assembly of documents is a useful reminder of how exotic forms of intelligence analysis emerge from particular political and technological conditions. And for the student of Cold War history, this is an indispensable window into one of the central issues confronting the American national security establishment.

New World Vistas: Air and Space Power for the 21st Century. Washington: United States Air Force Scientific Advisory Board, 1995, 14 vols. 1369 pp.

As World War II drew to a close, the chief of the Army Air Forces turned to the director of Cal Tech's aeronautical laboratory, Theodore von Karman, to head a scientific advisory group whose first mission would be to peer 20 years into the technological future of air power. The resulting study, *Toward New Horizons,* foretold many of the developments of succeeding decades, including ballistic missiles, supersonic aircraft, and all-weather navigation and targeting, and won a well-deserved reputation for prescience and imagination. Fifty years later the chief of staff and the secretary of the air force sought a new version of von Karman's work. The result is a massive volume that includes both lucid descriptions of technology and recommendations for how to approach it—including, provocatively enough, suggestions for areas that the air force should abandon (for example, exclusively military space-launch systems). The summary report is somewhat less useful than its 13 supporting monographs on such subjects as aircraft and propulsion systems, sensors, munitions, and information technologies. Blending a sense of practicality (the United States must be prepared for a failure rate greater than 50 percent in leading-edge technologies) with vision (an air force composed, in large part, of unmanned aircraft), the Scientific Advisory Board has discharged its mission well.

Global Dangers: Changing Dimensions of International Security. EDITED BY SEAN M. LYNN-JONES AND STEVEN E. MILLER. Cambridge: MIT Press, 1995, 369 pp. $17.50 (paper).

The articles contained in this collection from *International Security,* one of the leading scholarly journals in the field, date from 1983 to 1995. After a thoughtful article written by Richard Ullman during a particularly intense period of East-West tension, the collection proceeds to examine environmental and demographic security problems, and then to explore the consequences of nationalism for interna-

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tional politics. The editors describe these subjects as neglected during the Cold War, but perhaps it would be fairer to say that they were simply less important. One comes away from this volume with a renewed sense of just how difficult it will be to conceptualize security issues adequately after the Cold War, despite the authors' instructive efforts to do so.

Small Wars: Their Principles and Practice, 3rd ed. BY C. E. CALLWELL. Lincoln: University of Nebraska Press, 1996, 559 pp. $25.00 (paper).

The earlier editions of this classic on so-called low-intensity conflict appeared around the turn of the century. Their author was a British soldier-scholar with considerable personal experience and a wide-ranging intellect. In the introduction, Douglas Porch, perhaps the leading American historian of France's military, makes the case for the book's enduring relevance as a study of how the weak may often thwart the strong in this peculiar kind of warfare. Callwell understood well that irregular warfare posed a problem different in kind, and not merely magnitude, from that of conventional warfare. As a result, his thoughtful examination of the perennial frustrations of colonial powers in dealing with their amorphous opponents is illuminating. While his tactical injunctions about the uses of the infantry square or the advantages of camel corps are not terribly relevant to contemporary tacticians, his depiction of the general problem remains worth perusal.

Despatch on War Operations: 23rd February 1942 to 8th May 1945. BY ARTHUR T. HARRIS. London: Frank Cass, 1995, 211 pp. $45.00.

Air Chief Marshal Arthur "Bomber" Harris orchestrated the Royal Air Force's campaign against Germany during World War II. Hard-bitten, ruthless, and contemptuous of any strategy save that of leveling German cities, he maintained the confidence of his aircrews despite appalling loss rates. His final report, reproduced here with outstanding introductions by two of the foremost students of airpower during World War II, makes grimly fascinating reading. Lucidly written and making a use of charts and graphics that puts to shame some of the computer-generated confections of our day, the Despatch chronicles not merely the development of a campaign, but the emergence of a complex and, in some important respects, extremely successful air force organization—RAF Bomber Command. Students of modern warfare will be particularly interested in how Harris picked his measure of effectiveness for the air campaign against Germany. The Despatch is Harris' own in language, style, and outlook, and as such offers considerable insight into an excessively vilified but nonetheless formidable military leader.

The United States

DAVID C. HENDRICKSON

Winning the Peace: America and World Order in the New Era. BY JOHN GERARD RUGGIE. New York: Columbia University Press, 1996, 288 pp. $27.95.

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This excellent study seeks to articulate the policies of cooperative security and economic multilateralism necessary in America's "third attempt" at establishing world order in the twentieth century. "Remembering the future," Ruggie argues that Franklin Roosevelt's second attempt in 1945, centered around the concept of "concert-based collective security," constitutes a reliable guide to this task. The author, a political scientist at Columbia University, is particularly good in describing the evolution of the post–World War II system of economic multilateralism. He is cautiously optimistic about the stability of the contemporary system for trade and finance but worries that globalization has broken the social contract with workers that was a central part of the postwar bargain. ("Embedded liberalism," as it were, is getting disemboweled.) On security issues, Ruggie retains a faith in the United Nations that would seem to reflect the triumph of hope over experience. (To say this is not to disparage the importance of multilateralism in U.S. foreign policy but to insist that America's most important concert is with the G-7, not the P-5). His running dispute with "realists" sometimes degenerates into caricature, as running disputes tend to do. But the study is imaginative and discriminating in its use of historical materials and ranks among the best of recent attempts to describe the lineaments of the world order the United States and its partners should build in the future.

America Adrift: A Strategic Assessment. BY PETER W. RODMAN. Washington: Nixon Center for Peace and Freedom, 1996, 89 pp. $6.95 (paper).

This muscular pamphlet is a bid to reassert the contours of a conservative internationalism against resurgent isolationists among the Republicans and "assertive multilateralists" among the Democrats. It is of interest not only for its clear-eyed concentration on strategic essentials but also because the national security doctrine it formulates would in all probability be very close to that of a Dole administration. Its centerpiece is the conviction that America's alliances with Europe and Japan are not "Cold War relics" but should remain the foundation of U.S. strategy. Rodman sharply criticizes the Clinton administration for loosening alliance loyalties, worshiping the United Nations, eroding U.S. military power, and pursuing trade disputes at the expense of Western security ties. The analysis, though often astute, has a partisan flavor: the distance between the author and the administration is not as large as Rodman's strong criticism might suggest. The faint of heart may also wish

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to suggest certain reservations and provisos to the expansive doctrine Rodman advocates in Central Europe, East Asia, and the Persian Gulf, even if it is accepted that a pivotal U.S. role is necessary in all three regions.

Fighting with Allies: America and England at Peace and War. BY SIR ROBIN RENWICK. New York: Times Books, 1996, 427 pp. $35.00.

This engaging narrative of Anglo-American relations begins with a British naval officer sitting down to dinner at a soon-to-be-torched White House in 1814, but it mostly focuses on the years since the Second World War. Renwick, who served as British ambassador to Washington from 1991 to 1995, notes that obituaries proclaiming the demise of the "special relationship" have been one of its regularly recurring features, but that it has nevertheless shown a "Lazarus-like tendency to survive." Even to describe its features has aroused sensitivities, as when Dean Acheson, fearful of alienating allies abroad and Anglophobes at home, ordered destroyed all copies of a State Department paper proclaiming Britain "our principal ally and partner." (Acheson, of course, did not doubt that it was.) Renwick reports fairly, and even with a certain relish, all the unkind cuts delivered on both sides over the years—many of them eminently deserved—but also successfully establishes that the relationship has been unusually close and beneficial to both parties. When it was good, it was very, very good, and when it was bad, it was bearable.

Reversing Course: Carter's Foreign Policy, Domestic Politics, and the Failure of Reform. BY DAVID SKIDMORE. Nashville: Vanderbilt University Press, 1996, 234 pp. $29.95.

A disappointing attempt to apply theories of foreign policy change to the experience of the Carter administration. The author, a political scientist at Drake University, wants to explain why the Carter administration, which came into office intent on "adjusting" to new forces in the international system, reverted to Cold War paradigms by its end. Changes in the international environment, he contends, had little to do with it; the motor was domestic politics. Those who saw a Soviet challenge were wrong, the author insists; hence international events do not succeed in explaining foreign policy change. In Skidmore's simplified framework, there were two options—"adjustment" and "resistance." The first is identified with the "new politics" of the early Carter administration; the second is seen as a kind of domestic atavism unresponsive to the external environment. But this is a caricature of the foreign policy argument then raging: both sides were trying to adjust to new international realities; both appealed to domestic ideals and interests. The hinge of the argument is the assumption that "adjustment to hegemonic decline" dictated one obvious set of policies, when in fact the problem of decline and renewal was multifaceted, complex, and subject to a variety of remedies on which reasonable people could differ. It is a theoretical enterprise that is overly deterministic and whose basic concepts are inadequately specified—flaws that

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infect a wider literature. That is the root of the difficulty with this book.

America in the World: The Historiography of American Foreign Relations since 1941. EDITED BY MICHAEL J. HOGAN. New York: Cambridge University Press, 1996, 619 pp. $54.95 (paper, $19.95).

This volume, most of which appeared previously in *Diplomatic History,* includes 14 essays by eminent authorities on the voluminous historiography of U.S. foreign policy since 1941. The emphasis is on the literature produced in the last 15 years. These balanced contributions from a variety of ideological and methodological perspectives—all of them quite useful and instructive—are preceded by a less edifying examination of "the state of the art" of diplomatic history. Its centerpiece is a long essay by Bruce Cumings that is dazzling, wild, and relentlessly ad hominem, from which one deduces that the state of the art includes much in the way of action painting. John Lewis Gaddis is the main target of Cuming's diatribe; his absence from the volume is difficult to understand and seems justifiable only on the assumption that budding historians are to be spared exposure to heretics. Despite this unseemliness, the volume provides a fascinating snapshot of the state of the field of diplomatic history, which seems like Gaul to be divided into three parts: the good, the bad, and the ugly.

The United States and the Integration of Europe: Legacies of the Postwar Era. EDITED BY FRANCIS H. HELLER AND JOHN R. GILLINGHAM. New York: St. Martin's Press, 1996, 410 pp. $49.95.

A useful but uneven collection of papers concerned with the relationship between American policy and European integration from 1945 to 1960. The editors' previous collection on a closely related subject (*NATO: The Founding of the Atlantic Alliance and the Integration of Europe,* published by St. Martin's in 1992) was an excellent piece of work; this volume, by contrast, falls short of that high standard. One of the lead essays in the volume, by Robert H. Farrell, is strangely dismissive of the importance of European unification for American policymakers in the Truman period and is much less satisfactory than John Charmley's parallel sketch of British attitudes. The volume also contains illuminating contributions dealing with trade, finance, and technology, including William J. Barber on the "creative ad hocery" that led to Europe's economic revival.

Western Europe

STANLEY HOFFMANN

De Gaulle: Statesmanship, Grandeur, and Modern Democracy. BY DANIEL J. MAHONEY. Westport: Praeger, 1996, 188 pp. $55.00.

After having written a fine book about Raymond Aron as a political scientist and edited some of Aron's best essays, Mahoney has turned to the statesman who provoked in Aron an inseparable mixture of admiration and exasperation: Charles de Gaulle. In a short volume, Mahoney covers the essentials. He examines both de Gaulle's political philosophy and the meaning of his most important actions and policies. He finds in the general's political persona "a curious synthesis of Aristotelian magnanimity and

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Machiavellian *virtú*. But it also included a Christian care for one's fellows." On the crucial distinction between legality and legitimacy, on the constant tensions between the need for heroic leadership and the imperatives of modern democracy as well as between the call of national grandeur and the humdrum concerns and multiple divisions of contemporary society, on de Gaulle's attempt to reconcile the primacy of the nation with his vision of a confederal Europe, Mahoney is both perceptive and eloquent. His emphasis on the Catholic dimension of de Gaulle, on the influence of Charles Péguy (rather than Nietzsche), and his remarks on the similarities between de Gaulle's thought and the ideas of de Tocqueville and Weber are particularly welcome.

Italian Foreign Policy: The Statecraft of the Founders. BY FEDERICO CHABOD. Princeton: Princeton University Press, 1996, 593 pp. $65.00 (paper, $29.95).

Few people other than scholars of European diplomatic history are likely to read this enormous volume, published in Italy in 1951, nine years before the death of its author, one of Italy's greatest historians. And yet it is a most impressive and interesting work, to which Chabod devoted many years of his life. It is far more than a diplomatic history. By examining the intellectual currents and affinities of Italian elites, the personalities and policies of Italy's leaders, the debates in the press and in parliament, the main policy issues taken up during the period 1870-96, as well as the diplomatic maneuvers of the time, Chabod has produced a kind of total history that is a monument of scholarship, splendidly organized. Another merit of the book is a trio of fine introductory essays about Chabod by Charles S. Maier, Francesco Tuccari, and Walter Maturi.

The Propaganda Warriors: America's Crusade against Nazi Germany. BY CLAYTON D. LAURIE. Lawrence: University Press of Kansas, 1996, 335 pp. $35.00.

This study of American efforts to combat Nazi propaganda with a propaganda campaign that could match it focuses on the difficulties and rivalries that plagued the agencies that were put in charge (after a number of private initiatives that began in 1938). Neither the Moral Operations branch of William J. Donovan's rather Machiavellian and conservative Office of Strategic Services nor the Psychological Warfare Division of the army shared the enthusiasm of Robert Sherwood, the guiding spirit of the Office of War Information, for spreading a liberal, internationalist, and idealistic message aimed at the masses overseas rather than at the elites. Nor did Congress show much support for the OWI—and, as usual, Roosevelt remained aloof and let the agencies overlap and compete. The author concludes that the "winning weapon in psychological warfare" was finally developed by the army, whose approach was "pragmatic and designed to appeal to the intelligence and common sense of the enemy's . . . populations rather than to their political or ideological fears or preferences." But there is no attempt here to provide evidence regarding the success of all these policies.

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Integrating Gender: Women, Law, and Politics in the European Union. BY CATHERINE HOSKYNS. New York: Verso, 1996, 248 pp. $19.95 (paper).
This fascinating study of "the development of the European Union's policy on women's rights from its origins in Article 119 of the Treaty of Rome on equal pay, through its current spread of policy initiatives, legislative provisions and funding programmes" is a useful addition both to the growing literature on feminist politics and to the works devoted to the actual policies of the European Union (rather than to the contending theories that aim at explaining its nature). The author shows that despite a great deal of male resistance, and even though "there is no participatory political system" into which transnational interest groups can feed, women have skillfully "raised their voices and used legal channels and policy instruments . . . to generate social change in ways undreamed of by the pragmatists who drafted the Treaty of Rome." Hoskyns realizes that further "integration of gender" depends on further changes in the national societies, but she also shows how the European Union can widen "cracks in the edifice." Particularly interesting are her evaluation of the role of the European Court of Justice (less progressive here than in other areas of constitutional interpretation) and her chapter on the treatment, and organization, of black and migrant women.

Europe and America: A Return to History. BY MILES KAHLER AND WERNER LINK. New York: Council on Foreign Relations Press, 1996, 135 pp. $15.95 (paper).
A versatile American political scientist and a German expert on the history and politics of the Cold War have written two (respectively short and long) essays that try to discern the future of transatlantic relations in light of past patterns of conflict and cooperation between the United States and Western Europe. Both authors emphasize continuity and regularities. But Kahler warns about the present "tug of domestic political demands" and about the gradual erosion of internationalism in the United States. Link pleads for a "stepwise restructuration of transatlantic relations on the lines of a symmetrical and balanced alliance."

Western Hemisphere

KENNETH MAXWELL

Bordering on Chaos: Guerrillas, Stockbrokers, Politicians, and Mexico's Road to Prosperity. BY ANDRÉS OPPENHEIMER. Boston: Little, Brown, 1996, 367 pp. $24.95.
A fast-paced, engrossing narrative, in fine journalistic style, of the inside story of the crisis in Mexico. As is to be expected from Pulitzer Prize winner Andrés Oppenheimer, senior correspondent for *The Miami Herald,* there is much new material here—confidential polls by the Mexican political parties, exclusive interviews with intellectuals, politicians, and Zapatista rebels, a revealing look at the panic on Wall Street, and a glimpse at the falling-out between President Carlos Salinas and his successor, which led to a recent public squabble. While Salinas complains, as he does elsewhere, that what was at stake was not corruption but a struggle over the free market policies he had embarked upon, Oppenheimer con-

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cludes instead that the origins of the Mexican problems are largely political and will be resolved by "its conversion to a working democracy among other things by striking a deal with the opposition parties to launch far-reaching electoral, media, labor, education, and anti-corruption reforms." This is a long bill of particulars, and to recite it is to realize how difficult a task Mexico faces in the next few years if the political dilemmas Oppenheimer points to are to be resolved.

A New Time for Mexico. BY CARLOS FUENTES. New York: Farrar, Straus & Giroux, 1996, 216 pp. $23.00.

Carlos Fuentes has a great ability to quickly set in historical and cultural context the political and economic transition under way in Mexico. But Mexico is a very complex country, as Fuentes always reminds us, and he warns against overly simple interpretations. Here he provides one of the best available surveys of Mexico's past and weaves into this story his month-by-month diary of the events leading up to the 1994 peso crisis. He etches sharp vignettes of Salinas, President Ernesto Zedillo, and the assassinated candidate Luis Donaldo Colosio, who, Fuentes believes, would have promoted major democratic reforms. Because Fuentes resists the temptation to alter the diary entries in light of later events, one can understand how the preoccupying tumult of that tremendous year—the Chiapas uprising, Colosio's assassination, and, above all, the presidential elections—blinded participants and observers alike to the impending economic crisis. This is an elegant, finely crafted piece of writing, as always with Fuentes. But Fuentes admits that, like most Mexicans, he is still perplexed about the future. He believes democratization is the answer but is not too clear about the particular steps that need to be taken to get there.

The New Economic Model in Latin America and Its Impact on Income Distribution and Poverty. EDITED BY VICTOR BULMER-THOMAS. New York: St. Martin's Press, 1996, 370 pp. $49.95.

How has the new economic model of export-led growth in Latin America affected poverty and inequality? Victor Bulmer-Thomas, director of the Latin American Institute at the University of London, has assembled a solid team to answer this vital question. In his conclusion, Bulmer-Thomas notes that if the new neoliberal paradigm in Latin American economic policymaking is to imitate the Chilean success story, then time is not on Latin America's side. The willingness of Latin American electorates to tolerate hardship in the pursuit of long-term gain will not continue forever. He does not believe Argentina or Brazil, for example, will be able to ignore the impact on equity as did Chile in the 1970s and Mexico in the 1980s. Growth has been less than anticipated. Consequently, increases in social expenditures have been minimal. The targeting of social programs to the lowest levels of society has not been easy or even possible in some countries. Trade liberalization and labor market reform have hurt poorer wage earners, particularly in rural areas. The transfer of assets, especially via privatization, has

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produced a sharp fall in real wages and a deterioration of the income distribution. All of these conclusions raise important concerns about the sustainability of the reforms within a democratic context and make this book, controversial as it will undoubtedly be, a vital contribution to the debate about the economic and political future of Latin America.

Constructing Democracy: Human Rights, Citizenship, and Society in Latin America. EDITED BY ELIZABETH JELIN AND ERIC HERSHBERG. Boulder: Westview, 1996, 238 pp. $73.00 (paper, $22.50).

Leading Latin American academics, under the auspices of the Social Science Research Council, look at the relationship between human rights issues and activist organizations and the institutions of the democratic regimes established in Latin America in the 1980s. Taking the discussion beyond the now extensive literature on the transition from authoritarianism, which tended to focus on formal mechanisms of democratic representation, elections, political parties, and constitutions, these scholars focus on grassroots movements and the continuing violation of the human rights of large sectors of the population living in poverty and marginality. In fact, the authors see the struggle to achieve these social demands as the key mobilization issue of the 1990s. The international aspects of the human rights networks are well described by Kathryn Sikkink, and detailed chapters look at the roles of ethnic, gender, and racial discrimination. Overall, this is an excellent introduction to the complexities involved in the emergence of civil societies in Latin America and the redefinition of participation in still fragile democratic systems.

Eastern Europe and Former Soviet Republics

ROBERT LEGVOLD

Spies Without Cloaks: The KGB's Successors. BY AMY KNIGHT. Princeton: Princeton University Press, 1996, 318 pp. $24.95.

After a curious beginning in which the author, relying on a number of dubious sources and her own labored speculations, accuses Mikhail Gorbachev of having plotted the August 1991 putsch and Boris Yeltsin of knowingly overdrawing the danger of a military crackdown, Knight settles down to a detailed account of the former KGB's evolving role in the new Russia. Because the old KGB was a mighty empire—the equivalent of the FBI, CIA, Secret Service, Border Patrol, and Federal Bureau of Alcohol, Tobacco, and Firearms rolled into one—dealing with its many heirs, now separate agencies, represents a formidable task. Knight, a longtime student of the Soviet security police, meets it ably.

She has much to say about the quasi-military forces that provide secret service protection for government officials, including Yeltsin, and about the foreign intelligence arm that Yevgeny Primakov headed until he replaced Andrei Kozyrev as foreign minister. The Federal Counterintelligence Service, however, repository of the KGB's once formidable mecha-

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nism for domestic surveillance and repression, gets most of Knight's attention. In a weakly institutionalized environment, with inadequate oversight and rudimentary legal constraints, in her telling, it remains too large for comfort (twice the size of the FBI, even if the vast cuts projected in 1995 go through) and too unreconstructed. It also remains too tempting a tool of power for politicians, Yeltsin included. The best parts of the book guide the reader through the intrigues of Yeltsin and his opponents as they strained, usually with only partial success, to co-opt this bureaucracy for their own purposes. This is not a report saying how well Russia's national leaders and parliamentarians are doing in taming the KBG and turning it into a normal, efficient, carefully circumscribed national intelligence service.

Enlarging NATO: The Russia Factor. BY RICHARD L. KUGLER. Santa Monica: RAND, 1996, 287 pp. $20.00 (paper).

Of the great, even historic, decisions in recent international affairs, the decision to expand NATO is almost surely the one least debated or discussed in the broader American polity. Among a narrow range of foreign policy specialists, however, it has been hotly contested. In this argument, Richard Kugler takes the side of those in favor, which, as a student of Russian affairs, makes him rather unusual. Here he sets out to show how NATO can be enlarged as the core of a sounder European security architecture without evoking surly alienation in Russia. If the West wishes to have its cake and eat it too—that is, to solve the east-central European security problem while preserving healthy relations with Russia—Kugler contends that merely expanding NATO will not be enough. The West must know where it means to go after bringing in the initial Visegrad group of states and, in particular, how it intends to deal with the problem of Ukrainian security and the character of relations in the remainder of the post-Soviet space. He assumes a Russia that has a hard-nosed and rather churlish notion of its national interests and that could be pushed in the wrong direction, toward an aggressive, heavy-handed approach to neighbors. As important, however, he also assumes that this is not yet where Russian policy is headed.

The Decline and Fall of the Soviet Empire: Forty Years that Shook the World, from Stalin to Yeltsin. BY FRED COLEMAN. New York: St. Martin's Press, 1996, 459 pp. $27.95.

Over the years journalists have written up their accumulated thoughts after serving in Russia. It happened in Khrushchev's day, in Brezhnev's, with considerably more excitement in Gorbachev's, and now in steady numbers in Yeltsin's. But no correspondent has extended the exercise and looked back at all of them, doubtless because, unlike Coleman, none has worked in Moscow for a total of 14 years stretching over all these periods.

This is a journalist's book, not a historian's. Coleman does not reconstruct Soviet history nor attempt to explain it. Instead he weaves together what he learned of major events at the time and, in some cases, the background and subsequent insights that did not make it into

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his and others' reporting. And the major events were many—from Khrushchev's ouster through the invasions of Czechoslovakia in 1968 and Afghanistan in 1979 to the great breakthroughs in Gorbachev's time. Because Coleman was given to a certain amount of derring-do, such as riding on one of the last Soviet tanks to leave Afghanistan and getting a friend of his who was a photographer dressed in a Czechoslovak soldier's uniform to take pictures inside a Soviet base during the 1968 invasion, the insights are often unusual. The thread through all of this is how much weaker and more insecure the Soviet Union was than U.S. policymakers ever understood, even at moments when they saw it as most threatening.

The Soviet Union and the Vietnam War. BY ILYA V. GAIDUK. Chicago: Ivan R. Dee, 1996, 299 pp. $28.50.

The story will not be complete until Kremlin archives are opened and the deliberations of Soviet leaders examined. Still, Gaiduk, a young Russian historian, has pieced together as full a picture of Soviet policy during the Vietnam War as one could fairly expect. By combining the Soviet (Communist Party) archives to which he had access with a thorough exploitation of declassified U.S. materials, including the personal papers of Averell Harriman and those in the presidential libraries, he manages to get behind the public posturing of the time. Behind this mask, the Soviet leadership was not an ambitious band eager to send the North Vietnamese into battle against the Americans—that was China's role. Rather, they nervously tried to head off the war's escalation in 1964 and a direct U.S. combat role. Soviet leaders, however, were too much a prisoner of their competition with the Chinese and of their preconceptions of their U.S. rival to act boldly to stop what they never wanted in the first place or to end a conflict when and how it suited their interests rather than those of their difficult clients in Hanoi. An age-old story, but one from which great powers never seem to learn.

A Democracy of Despots. BY DONALD MURRAY. Boulder: Westview, 1996, 258 pp. $66.00 (paper, $17.00).

By "democracy," Murray, a Canadian broadcast journalist, means the process through which Russia has been lurching since the Soviet Union's last days. By "despots" he means Gorbachev, Yeltsin, and the men on whom they have relied, whom he watched on the spot from 1988 to 1994. While he respects what each man accomplished, he is a partisan of neither and, as the title suggests, a critic of both. Least does he suffer the habit of many observers both inside and outside Russia who seem to think that giving one man his due means denying it to the other. Two things particularly recommend this book: spare, incisive analysis of the turmoil, heightened by its choice of a few telling episodes, rather than a great mass of detail, and lean, well-crafted prose.

Latvia in Transition. BY JURIS DREIFELDS. New York: Cambridge University Press, 1996, 214 pp. $54.95 (paper, $19.95).

If some hold the notion that the Baltic States have escaped into a democratic, market-oriented future without the afflictions and trials plaguing other former Soviet republics, this book should disabuse them of it. As Dreifelds describes the last ten years in Latvia, the peak of national

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unity and élan occurred between 1987 and 1990, before the Soviet Union came apart, when independence unexpectedly emerged as a real possibility. Since then, high spirits have given way to bickering among contending political factions and cynicism among the voting public—itself a troubled notion, since most of the Russians in Latvia, still roughly a third of the population, are currently denied the vote. Dreifelds maintains that formally the path to citizenship has been settled in Latvia's new laws, but, if so, the more basic challenge of finding a place in the new Latvia for those whom the author symptomatically refers to as "non-Latvians" still casts a long shadow. Not to be misunderstood, Latvia is a success story, and Driefelds describes well the deep, popular attachment to independence, the reawakening of civil society, now thick with a rich variety of organizations, and the rapid growth of new commercial enterprises. But the explosion of crime, the weakness of such key struts as political parties, the malingering of privatization, and the obstacles to agricultural reform recall more readily many of Latvia's post-Soviet neighbors than the east-central European states to which Latvia wishes to compare itself.

Middle East

WILLIAM B. QUANDT

The Middle East: A Brief History of the Last 2,000 Years. BY BERNARD LEWIS. New York: Scribner, 1996, 448 pp. $30.00.

This lucid volume is almost certainly the capstone in the career of a distinguished historian of the Middle East. As such, it is more synthetic than path-breaking, broad in scope rather than sharp in focus. The major themes are of enduring importance: the need to see the region in historical perspective, including the important pre-Islamic period of Persian and Byzantine rule; the interplay of culture, language, and ideas, always a strong theme in Lewis' work; and the extraordinary impact of the West during the last two centuries. Most of this will be familiar to anyone who has read Lewis before, but a few nuances are worth noting. Having been criticized for "essentializing" Islam, or treating it as uniform and unchanging, Lewis is careful to note that there are many strands in the Islamic tradition. He is less categorical than in previous works in doubting the compatibility of Islam and democracy, and he shows surprising interest in signs of debate over the role of Islam in post-revolutionary Iran. Nonetheless, he continues to give the impression that Middle Easterners are caught in historically dictated patterns that will be hard to shake, although he does point out that for the first time in many years the fate of the region is largely in the hands of its own people.

There are some gaps. Nowhere are the remarkable achievements of Muslim Spain discussed, which leaves the impression that the Arab part of the Middle East has been steadily declining since the Mongol invasions of the thirteenth century (which, incidentally, Lewis does not credit for much of the decline). But such omissions are inevitable in such a wide-ranging overview and do not significantly

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detract from its narrative power or overall picture of the rise and fall of civilizations. This is history in the Toynbee tradition—literate, sweeping, and imaginative—and Lewis, like Toynbee, can be criticized on methodological, theoretical, and empirical grounds. But this is one of the benchmark books against which others will be compared. As a legacy, and as a memorial in Lewis' 80th year, that is a remarkable achievement.

Islam and Democracy. BY JOHN L. ESPOSITO AND JOHN O. VOLL. New York: Oxford University Press, 1996, 232 pp. $45.00 (paper, $17.95).

By broadening the discussion of Islam and democracy beyond the Middle East to include Pakistan and Malaysia, the authors are able to point to Islamic movements that have been successfully incorporated into a pluralistic political process. (Turkey might also have been included in this category.) The more familiar cases of Algeria, Egypt, Sudan, and Iran are less promising, although the authors go to great lengths to show that Islam per se is not the problem. If there is a central theme here, it is that regimes get the kinds of opposition they deserve. If they treat Islamists harshly, they will get radical movements; if they are more accommodating, moderates will prevail. This contention might be more convincing if not for the discussion of Hassan Turabi of Sudan, which tries to show that Turabi and his followers are trying to create a nonsectarian, populist, and federalist politics that would be compatible with democracy if only the civil war could be brought to an end. The authors suggest, in other words, that the concept of democracy is so contested that there is no need to exclude Turabi and his ilk from the fraternity just because they are trying to impose their will on non-Muslim southerners. This perspective pushes cultural relativism close to apologetics and, at a time of religious resurgence in much of the Muslim world, detracts from an otherwise sensible discussion of reform in failing political systems.

Islam and the Myth of Confrontation: Religion and Politics in the Middle East. BY FRED HALLIDAY. New York: I. B. Tauris, 1996, 255 pp. $55.00 (paper, $19.95).

This collection of previously published essays by one of Britain's most original thinkers on the Middle East covers a wide range of topics, from the Iranian revolution to human rights in Islam. One of the best chapters deals with Orientalism and its critics, in which Halliday intelligently tackles both sides of this rather tiresome debate. Throughout, he upholds a belief in the value of approaching the Middle East with the normal standards of social science in mind; he treats it not as some exotic, unchanging terrain, but as a complex region that can be best understood by asking the right questions and looking hard enough for evidence. A breath of fresh air.

Israel's Changing Society: Population, Ethnicity, and Development. BY CALVIN GOLDSCHEIDER. Boulder: Westview, 1996, 271 pp. $55.00.

Israeli society is a remarkable mix of peoples, including Jews from a host of different countries alongside native-born Jews and Arabs. This careful demographic account examines the makeup and development of Israeli society and the role of

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the state in promoting social change. The disadvantaged status of Israeli Arabs is made clear, and doubts are cast on the ability of Israeli society to become a melting pot even for its Jewish majority. Ethnic differences have evolved, but have not disappeared. A well-researched book, filled with interesting data.

The Masada Myth: Collective Memory and Mythmaking in Israel. BY NACHMAN BEN-YEHUDA. Madison: University of Wisconsin Press, 1995, 401 pp. $60.00 (paper, $22.95).

Perhaps it is only when a nation's survival is assured that its founding myths can be attacked. If so, then Israelis may well be on their way to becoming a "normal" nation. In this forceful book, an Israeli sociologist details the dismay he felt when he first heard the Masada myth challenged; he then found that, in fact, the events at Masada in 73 A.D. were far from the romanticized version of a heroic remnant of the Jewish people committing suicide to avoid being conquered. In addition to questioning the received myth, however, Ben-Yehuda examines how it originated, how it was sustained and elaborated, how it was memorialized, and how it eventually gave rise to a tourist attraction. The significance of this case study in the "archaeology of knowledge" goes well beyond Israel.

London and the Invention of the Middle East: Money, Power, and War, 1902-1922. BY ROGER ADELSON. New Haven: Yale University Press, 1995, 244 pp. $38.00.

The term "Middle East" was invented, and most of the now-familiar lines on the map of the region were drawn, during the first two decades of this century. This lively presentation of the origins of the modern Middle East focuses on the small number of political figures and bankers in London who, knowing little about the region, projected onto it many of its current political features. The author makes much of the role of individuals and financial considerations, arguing that only later, with the growing importance of the region's oil, did policy stem primarily from serious strategic interests. Indeed, he sketches a picture of a few men, all from similar backgrounds, making decisions of vast importance with little knowledge and often little reflection, except to keep an eye on costs. The text is enlivened by a remarkable collection of photographs. Though adding little to conventional accounts, Adelson is masterful at evoking a sense of place and atmosphere. A good read.

The Iranians: Persia, Islam, and the Soul of a Nation. BY SANDRA MACKEY. New York: Dutton, 1996, 426 pp. $26.95.

Iran seems destined to perplex many Americans for years to come. It is routinely labeled a rogue state, the humiliation of the hostage crisis of 1979-80 has not faded from memory, and Iran is now seen by many as the major impediment to Arab-Israeli peace. Challenging these simplistic perceptions seems to be the unstated purpose of this survey of Iranian history. Written as a popular, readable introduction, not a scholarly treatise, the book treats Iran as a unique country that carries a dual legacy of Persian

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kingship and Shiism. Mackey sees an unresolved tension between religion and state. Her views on the Iranian revolution are somewhat ambiguous. She sees some real achievements in reducing the gap between rich and poor, but just a bit later she implies that, in fact, little has changed. Neither the shah, the embodiment of the Persian kingly tradition, nor Khomeini, the model of an Islamic ruler, has put the welfare of ordinary Iranians at the forefront of their thinking. She concludes with a critique of American policy that will probably not change many views. On the whole, this is a welcome introduction, but like many popular treatments it sometimes comes close to peddling stereotypes, such as the Persians as "the most imitative of people."

The Mediterranean Debt Crescent: Money and Power in Algeria, Egypt, Morocco, Tunisia, and Turkey. BY CLEMENT M. HENRY. Gainesville: University Press of Florida, 1996, 336 pp. $49.95.

Political pundits typically focus on personalities, ideology, and infighting when they try to account for the unimpressive record of Middle East countries on economic development and political democratization. Here is a very different—and surprisingly optimistic—approach that provides a better sense of the issues regimes are grappling with as they try to break away from the failed models of the past. Central among these issues are the mundane tasks of raising capital, producing budgets, and meeting the demands of foreign creditors. In five fascinating cases—Algeria, Egypt, Morocco, Tunisia, and Turkey—Henry argues that "Europe's Mexico" has gotten itself into economic circumstances in which it is subject to pressure by external creditors to undertake economic reforms. In Morocco and Turkey, Henry is reasonably optimistic that the development of commercial banks as part of those reforms may create a new power center, and bankers, representing the broader interests of businessmen, will become "midwives of political change." By contrast, and perhaps prematurely, he writes off Algerian democracy. Some readers may find the positive role ascribed to bankers a bit hard to swallow, but Henry makes his case effectively; he is equally provocative, but less convincing, in arguing that political Islam will have to be accommodated and that Islamic banking can play an important role in strengthening Islamic liberals who will ultimately play by democratic rules.

The Arab Middle East and the United States: Inter-Arab Rivalry and Superpower Diplomacy. BY BURTON I. KAUFMAN. New York: Twayne Publishers, 1996, 291 pp. $26.95 (paper, $16.95).

An introduction to American Middle East policy since World War II, this straightforward history emphasizes the importance of inter-Arab divisions, the Cold War, and the role of oil, especially in the 1970s and again in 1990. A few issues are shortchanged, such as Israel's nuclear capabilities, which recent research shows to have had an important impact on American thinking from the mid-1960s on. Apart from the useful text, the author has provided a detailed chronology of events and a comprehensive bibliographical essay.

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The Middle East and the United States: A Historical and Political Reassessment. EDITED BY DAVID W. LESCH. Boulder: Westview, 1996, 460 pp. $69.95 (paper, $24.95).

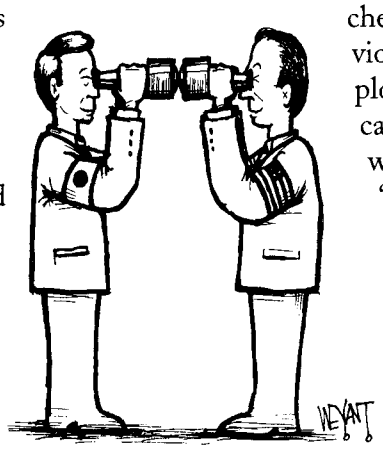
The historiography of American involvement in the Middle East is coming of age. Archives are being opened, new understanding of old issues is now possible, and the politicization that colored some Cold War–era scholarship is fading. This collection of original essays looks at a wide range of issues, from the earliest years of this century to the very recent past. As is inevitable in such a broad survey, the results are uneven. But on the whole, they meet a high standard of professionalism. A welcome collection.

Asia and the Pacific

DONALD ZAGORIA

Public Opinion in America and Japan: How We See Each Other and Ourselves. BY EVERETT CARLL LADD AND KARLYN H. BOWMAN. Washington: AEI Press, 1996, 163 pp. $24.95.

Two public opinion specialists analyze a variety of U.S. and Japanese poll data to discern public perceptions of the nations' economic and military relationships, attitudes toward family, work, and leisure, and satisfaction with democracy. Among the findings are that majorities in Japan and the United States describe U.S.-Japanese relations since World War II as positive; the Japanese continue to rank America highly in comparison with other countries; more than three-quarters of Americans have consistently described their personal feelings toward Japan as friendly in the past ten years; frictions in the trade and military relationships have taken some toll on the overall relationship, but the data are ambiguous; changes in favorable feelings may derive in part from how each nation views its own prospects; and the cumulative weight of the polling evidence sees the two nations as committed allies.



Cultural Norms and National Security. BY PETER J. KATZENSTEIN. Ithaca: Cornell University Press, 1996, 305 pp. $35.00.

A well-known American social scientist ventures into a study of Japanese attitudes toward national security. He argues that the two main paradigms of American specialists in international relations—realism and liberalism—are insufficient because they disregard culturally conditioned "norms." Says the author, "Norms matter for national security policy," and "Contemporary Japan . . . eschews police and military violence." The book explores how these norms came about and concludes with a prediction that "Japan's security policy will continue to be shaped" by its domestic norms rather than by the international balance of power. If the argument was

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couched in more modest terms, for example that a nation's values shape its view of national security, few would disagree. But the author seems determined to throw overboard international relations specialists' emphasis on structural and situational determinants of state behavior. This is not very convincing. What if the United States and Japan end their security alliance? Or what if China becomes much more expansionist? Will these scenarios be completely irrelevant to how Japan defines its security "norms?"

China and Europe: 1949–1995. BY DAVID SHAMBAUGH. London: School of Oriental and African Studies, University of London, 1996, 74 pp. $14.50 (paper).

A short but meaty account of Europe's relations with China, which concludes that the prospects for these relations are excellent, despite a few potential "hiccups" on the horizon, such as weapons sales to Taiwan. Since 1992 the European Union member states have trebled their trade with and investment in China, but in 1994 the EU had only a nine percent share of China's total foreign trade and only a four percent share of total foreign direct investment. On the question of China's entry into the World Trade Organization, Shambaugh says Europe stands with the United States in insisting that China meet a variety of standards prior to admission, but takes a different view than Washington in endorsing China's entry status as a "developing nation" in certain respects, giving it more preferential entry terms. He says that while the United States and the EU disagree about the status under which China can enter the WTO, they agree that bringing China into the WTO is a high priority.

Pacific Passage: The Study of American–East Asian Relations on the Eve of the Twenty-First Century. EDITED BY WARREN I. COHEN. New York: Columbia University Press, 1996, 407 pp. $18.00 (paper).

Like most conference volumes, this collection of essays by American and Asian historians has its high and low points. The high point is a brief epilogue by the distinguished Harvard historian Ernest May, who points out that over the past two centuries, the trend in American-East Asian relations has been a progression from exploitation and conflict toward cooperation. In his finely textured analysis, May points out that exploitation ran both ways, and most often the United States, though the stronger power, did not get more than it gave. Chinese officials manipulated the greed, illusions, and ignorance of Americans to pit them against other "barbarians." And the American commitment to contain China during the Cold War gave Southeast Asian elites enormous leverage. May concludes by spelling out the preconditions for future cooperative relationships.

The low point of the volume is Bruce Cumings' tendentious account of Korean-American relations. While May convincingly demonstrates that Asians were quite capable of manipulating—and even outmanipulating—the foreigners, Cumings portrays Koreans as perennially exploited by nefarious outsiders, particularly Americans. Instead of analyzing the complex interactions between Kim Il Sung, Mao, Stalin, and the Americans that led to the Korean War, Cumings

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simply asserts that it is Cold War thinking to see the North Korean invasion of South Korea as reckless war-making. The Americans, after all, had "set up a quasi-colonial government of Koreans staffed from the hirelings of Japanese imperialism," and therefore were at least as much to blame. In recent years, the American media "mindlessly repeated Pentagon and White House caricatures of North Korea" and its " 'nuclear bomb' " (his quotation marks). Even National Public Radio circulated "wild charges" about the North concentrating 70 percent of its army on the border. So much for the United States' real problems with North Korea, or any real insights into North Korean totalitarianism, or any genuine understanding of the give-and-take between the United States and Korea, which May's kind of history invites.

Power and Prosperity: Economics and Security Linkages in Asia-Pacific. EDITED BY SUSAN L. SHIRK AND CHRISTOPHER P. TWOMEY. New Brunswick: Transaction Publishers, 1996, 286 pp. $39.95.

Although some of these conference essays, drafted in 1992, may have been updated, in general they show the dangers of a four-year gap between writing and publication. For example, although several papers touch on PRC-Taiwan interaction, most of them suggest that increasing trade and investment relations are likely to have a benign effect on the political relationship. There is little hint of what happened in 1995-96—the largest military crisis in the Taiwan Strait since the late 1950s—when Taiwanese President Lee Teng-hui visited the United States in 1995, the Chinese then conducted military exercises and fired test missiles near Taiwan, and the United States sent two carrier battle groups to the South China Sea. Only one of the essays—by Shirk and Jia Qingguo—considers the potential for conflict, and it locates the main cause in what it calls "asymmetric interdependence." What triggered the recent crisis in fact was Beijing's fear that Taiwan was moving toward a kind of "creeping independence," supported by the United States, and its determination to draw a line in the sand. Still, many of the essays are of high quality, and there is an insightful introduction by the editors on the links between economics and security.

Africa

GAIL M. GERHART

Requiem for the Sudan: War, Drought, and Disaster Relief on the Nile. BY J. MILLARD BURR AND ROBERT O. COLLINS. Boulder: Westview, 1995, 385 pp. $77.50 (paper, $23.50).

Until the world media discovered the Sudanese civil war in mid-1988 and apocalyptic scenes of violence and starvation began to force the State Department to acknowledge the human tragedy, Sudan's plight drew the attention of few Americans outside a small circle of professional relief experts. The State Department's Africa Bureau had a strategic regard for the Sudanese government that overrode consideration of its savage cruelty towards its rebellious non-Muslim citizens. Only

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in 1991, when the Islamic fundamentalist regime of Umar Hassan Ahmad al-Bashir backed Iraq in the Persian Gulf War, did the State Department withdraw all aid to Khartoum. Burr and Collins, using an impressive collection of unpublished aid agency reports, paint a harrowing picture of the barbaric destruction of villages by northern ethnic militias, mothers "pawning" their children to slave traders in exchange for food, massive displacement of southerners through drought-induced migrations, and as many as a million and a half deaths. The humanitarian efforts of international relief bodies provide a brighter theme, with particular credit going to Operation Lifeline Sudan, launched by the United Nations in April 1989 and tolerated by the Sudanese government until late 1990.

Managing Arms in Peace Processes: Rhodesia/Zimbabwe. BY JEREMY GINIFER. New York: United Nations, 1995, 127 pp. $22.00 (paper).

In 1979, at the end of Zimbabwe's 15-year war of independence, Britain's Lord Carrington worked skillfully to impose a compromise settlement on the warring parties. Excluding the United Nations from the peace process, Whitehall then unilaterally designed and successfully implemented a plan to demobilize the contending armies and hold a national election, all within three months. Impossible? This informative study shows how British military professionalism, a decision not to attempt disarmament or integration of forces prior to the election, reliance on confidence-building through diplomacy rather than force, and a bit of luck combined to bring the demobilization process to a rapid and low-cost conclusion in an exercise that has subsequently been cited for its relevance to more protracted U.N. demilitarization operations.

African Perspectives on Development: Controversies, Dilemmas and Openings. EDITED BY ULF HIMMELSTRAND, KABIRU KINYANJUI, AND EDWARD MBURUGU. New York: St. Martin's Press, 1994, 335 pp. $49.50.

Democracy and Development in Africa. BY CLAUDE AKE. Washington: Brookings, 1996, 173 pp. $36.95 (paper, $16.95).

These two works review Africa's lackluster record of economic and political development in recent decades and focus on the inability of standard theories adequately to explain, predict, or prevent Africa's current development crisis. Having discarded the modernization theories of the 1960s and the neo-Marxist and neoliberal paradigms of the 1970s and 1980s, Africans and Africanists now find themselves peering into a theoretical and ideological void. This has inspired a logical impulse toward stocktaking, and the collection of 23 pieces edited by Himmelstrand, Kinyanjui, and Mburugu surveys a wide range of economic and political debates in light of the familiar paradigms in order to show how imperfectly, if at all, theory has illuminated reality. The result is a rich and focused analysis of viewpoints on critical development issues, ably and provocatively synthesized in concluding essays by Goren Hyden and Samir Amin. Nearly all the contributors are African, and each of the digestible-sized chapters has an extensive bibliography. The articles emphasize East and Central African cases.

As a stocktaking exercise, Ake's book is less satisfying. The causes of Africa's

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crisis are enumerated and labeled but only superficially analyzed. The author, a leading Nigerian intellectual, deplores the hegemonic influence of development models and theories formulated for Africa by non-Africans but scarcely mentions the equally disappointing results of the home-grown economic and political experiments of Nkrumah, Touré, Nyerere, Kaunda, and others. Africa needs governments led by people more seriously committed to economic progress and more democratically accountable to their citizens, Ake asserts; self-reliance, self-sufficiency, and popular participation in setting policy agendas must take priority, while institutional mechanisms that moderate destructive political competition must be devised. These are sound if pretty familiar recommendations. Yet if a new and constructive development paradigm, by Africans and for Africans, is to emerge, these vague prescriptions are an index of the distance still to be traveled.

African Exodus: Refugee Crisis, Human Rights and the 1969 OAU Convention. New York: Lawyers Committee for Human Rights, 1995, 266 pp. $15.00 (paper).

This report on a three-year study of conditions in seven countries presents the most succinct analysis so far of the legal protection of African refugees, as distinct from humanitarian relief or the root causes that generate refugee populations. Political losers in their countries of origin, refugees often suffer new abuses in their countries of asylum, where no domestic constituency exists to defend their rights. Intergovernmental organizations may step in with varying degrees of success; the office of the U.N. High Commissioner for Refugees earns mixed reviews here, and the Bureau for Refugees of the Organization of African Unity is dismissed as almost totally ineffectual. The authors offer recommendations to these bodies and urge host country nongovernmental organizations with a human rights focus—a new phenomenon of the last decade in Africa—to widen their scope to encompass the protection of rights clearly spelled out in the 1969 OAU Convention on Refugees. Cases from recent years include the voluntary and involuntary repatriation of Mozambicans from Zimbabwe, Malawi, and South Africa; the expulsion of Chadians from Nigeria and of Mauritians and Senegalese from each other's territories; and the plight of Liberians in the Ivory Coast and Somalis in Kenya. A postscript considers the ongoing Rwandan refugee crisis, and texts of relevant legal conventions are included as useful appendices.

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Response

Misreading Reagan's Legacy

A Truly Conservative Foreign Policy

Kim R. Holmes and John Hillen

William Kristol and Robert Kagan's vision of a Pax Americana helps further the ever unsettled debate over America's role in the post–Cold War world ("Toward a Neo-Reaganite Foreign Policy," July/August 1996). But in attempting a conservative policy with a "moral clarity," they have offered an approach that is low on strategic clarity, and not very conservative to boot.

Kristol and Kagan are on target when they assert that conservatives need a foreign policy vision to achieve a lasting political realignment; no American political movement worth its name can succeed solely on domestic issues. Critics like us are sympathetic to their overriding purpose: to find an inspirational vision to sustain support for American engagement in world affairs.

Unlike some cheap-hawk conservatives, the authors advocate a much higher defense bill to make America a hegemonic power. They rightly worry that deep cuts in the military are putting the United States on the path to decline, and they understand that it is downright silly to propose, as the Clinton administration has, grand strategies of enlarging the world's democracies and becoming a global peacekeeper without embarking on a military buildup.

THE PERILS OF ESCAPISM

But Kristol and Kagan's vision of American foreign policy is without limits or constraints. It is somewhat confusing to discover that the government that runs too much of America runs too little of the world. It is fine with us if leaders use American power and influence to accomplish traditional foreign policy tasks like deterring aggression, defeating

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enemy nations, shoring up alliances, and expanding free trade. But we wonder what limits Kristol and Kagan would impose on their global democratic enterprise—one that ultimately would have the U.S. government engineering the domestic transformation of nations around the globe.

The authors dodge the central foreign policy question facing America in the post–Cold War era: how to develop an internationalist foreign policy disciplined by a framework for selectivity and discrimination. This has been the central question since the Soviet Union collapsed (along with U.S. containment policy) in 1991. Unless it is answered, America will lack a compass in an ever more complex and unpredictable world. This compass should ensure that the United States engages in neither a crusading activism that mindlessly diffuses vital resources nor an isolationism that eschews important opportunities to shape events. Such selectivity, especially in the case of military engagement, has become even more pressing given the precipitous decline in the military capabilities of America and its principal allies. By pretending that America need not be selective in its engagements, Kristol and Kagan are indulging in pure escapism.

The cure-all that is supposed to obviate the need for making choices is spending a lot more money on defense. Kristol and Kagan believe in "giving military planners enough money to make intelligent choices." But military planners are not the ones who decide important strategic questions, such as whether to expand NATO, intervene in Bosnia, grant most-favored-nation status to China, or buy 20 or 30 more B-2 bombers; the president and Congress are. But how can they make these and other important strategic decisions if, as Kristol and Kagan say, "Setting forth the broad outlines of such a foreign policy is more important for the moment than deciding the best way to handle all the individual issues that have preoccupied U.S. policymakers and analysts"? What is the point of a strategy if it cannot help a policymaker decide these issues? If it does not meet this most basic test, it is empty rhetoric.

Kristol and Kagan correctly assert that defense cuts have gone too far. But a $60 billion to $80 billion annual defense spending increase will not be enough to fund their ambitious strategy of Pax Americana. It would cost $30 billion more a year just to adequately fund Bill Clinton's rather small "Bottom-Up Review" force. That would allow the United States to fight just one major regional conflict and one minor conflict or large peacekeeping mission, while maintaining a skeletal presence to uphold its European and Asian alliance commitments. Add more money for missile defense systems and a modernization program that takes advantage of the military-technological revolution, and you're back in the hole. There would be little or no money left over for the arms buildup needed to support Kristol and Kagan's strategy of slaying the world's monsters. In other words, $60 billion to $80 billion a year or even more would not provide a military so capable that policymakers could avoid hard choices about where power is most needed and most effective.

ALL OR NOTHING

Kristol and Kagan offer a false choice to the American people: either America at-

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tempts to remake the world in its own image or it once again seeks the dark cave of isolationism from which the Presidents Roosevelt led it. The American people apparently need a foreign policy crusade around which to rally or they will pull up the drawbridge and leave the world to its own devices.

Americans are not as unsophisticated as Kristol and Kagan believe. They understand that global leadership need not be global gendarmerie—two ends that are easily confused in practice when policymakers build policy around "a sense of the heroic." In fact, the American people are rightly suspicious of military missions that are ill defined, open-ended, and unimportant to the national interest. When faced with losing propositions that seem to serve no discernible national interest, such as the military mission in Somalia when it began to fail, the public turns against military interventions. When, on the other hand, the national interest is obvious and the operation well run, as in the Persian Gulf War, the American people overwhelmingly support the sacrifices required by military interventions. Americans need a mission for their foreign policy, not manufactured crusades to fool them into supporting something that they may not understand.

Kristol and Kagan mistake for isolationism the relative indifference of the American public and Congress to foreign affairs. Many conservatives in Congress are not as engaged in foreign policy issues as they should be, but Congress is not the place to look for new ideas and leadership in foreign policy. Those must come from the president, whether a Republican or a Democrat. Americans, indeed, do not care much for foreign policy, so long as things are going well. But as Jimmy Carter found out after the Iranian hostage crisis, they care very much when a president bungles a foreign policy issue or is perceived to be weakening the country.

LET REAGAN BE REAGAN

One of the more puzzling aspects of Kristol and Kagan's thesis is their narrow interpretation of the Reagan legacy. Ronald Reagan certainly deserves much praise for bringing down the curtain on the Cold War, and Kristol and Kagan are right to credit him with courage, vision, and will. But they are wrong to take part of his legacy—the moral crusade against the "evil empire" and his campaign for democracy—and blow it up as if it were the whole show. The other side of the coin was the Reagan military buildup, which pressured the Soviet Union into making decisions that were ultimately self-destructive. This was hardheaded realism at its best. It was not some diffuse, open-ended campaign for democracy wherever it was threatened, but a concentrated strategy that mobilized all American resources, moral and military, to eliminate peacefully the threat to democracy at its source: the Soviet Union and, in effect, communism. Anyone who doubts the hardheadedness of the Reagan administration needs to remember not only the sharp focus of Reagan's strategy but the highly discriminating and limiting conditions that Defense Secretary Caspar Weinberger imposed on military interventions.

Kristol and Kagan have tried to apply their particular understanding of Reagan's legacy to an inappropriate historical situation. Reagan mobilized a successful moral crusade against Soviet commu-

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nism not only because it was antidemocratic but also because he saw it as a mortal danger to American security. There is today no single antidemocratic movement that possesses the power and ideological challenge of Soviet communism. To be sure, there are plenty of threats to U.S. interests, but they are scattered and come in many different stripes, from Cold War holdover regimes like North Korea to radical Islamic states like Iran. Because the threats they pose are philosophically, geographically, politically, and even militarily diverse, they are not amenable to the kind of single-minded crusade for democracy that Kristol and Kagan propose.

It is a mistake to attempt to apply the heroic aspect of the Reagan legacy to the present. Ronald Reagan did indeed offer a new and comprehensive vision of American strength and leadership in 1980, but it was driven by the twin specters of Soviet expansionism and American weakness. The Soviet invasion of Afghanistan and the communist insurgencies nibbling through Central America combined with America's demoralized post-Vietnam forces, the humiliation of the hostage crisis, and the debacle of the failed Desert One rescue attempt to help sustain his worldview. Compare the consequences of Reagan's legitimately heroic vision—legitimate because the times demanded it—with the less than heroic tasks required under Kristol and Kagan's conception of America as the world's policeman: more failing peacekeeping missions in venues like Bosnia, Haiti, and Somalia; more American military involvement in bloody civil wars fueled by ancient ethnic and racial hatreds rather than by disagreements over the fine points of democracy; and billions more in foreign aid to prop up shaky "democratic" regimes like those in Russia and Haiti.

Kristol and Kagan seem to imply that anyone proposing limits on the purposes and means of American foreign policy is a defeatist or a declinist à la Paul Kennedy. Worse for conservatives, they seem to say that concern about selectivity and discrimination amounts to apostasy. This is nonsense. Being a conservative is all about pursuing principles in a world constrained by human nature. It is not defeatist to ground strategy in what Walter Lippmann called the "controlling principle" of American foreign policy: to keep America's purposes equal to its means and its means equal to its purposes. Far from apostasy, that approach is the logical fulfillment of Reagan's vision in the post–Cold War world.

However, the job today is quite different than it was in Reagan's time: not to contain or defeat an ideologically hostile superpower, but to prevent rogue states and terrorists from threatening American values and interests in key regions. America could be the world's policeman, if it wanted to be. It could spend $500 billion a year on defense, turn its alliances into vast peacekeeping institutions, put half the developing world on the international dole, and agree to engage in more or less perpetual warfare for decades to come. But why would the United States want to do this? It does not have to do it to protect its interests and values. Americans accept limits on their interventions and interactions with other nations not because they lack confidence or because they are too stingy to pay the price of glory. Rather, they do it because that is all that is required to get the job done.

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WHO'S THE CONSERVATIVE?

This prudent approach is the essence of conservatism. As they have recognized the inherent shortfall in the means of American power, Kagan and Kristol's call for a hegemonic crusade does little beyond assuaging their desire for moral clarity. In his book *The Vision of the Anointed*, Thomas Sowell says that seeking moral clarity within one's own mind, often without concern for unintended consequences, is the fundamentally flawed basis for many liberal social policies. Kristol and Kagan make a similar mistake in foreign policy. It is ironic that Kristol, one of the most eloquent critics of the large administrative state in America, proposes a comparable role in the world for an imperial America. All the elements of an overwhelming government that conservatives deride as counterproductive and morally bankrupt are writ large in this vision of benevolent hegemony. Yet Kagan and Kristol argue that their strategy represents the third pillar of a conservative America that is already dismantling the modern welfare state and "reversing the widespread collapse of morals and standards in American society."

William F. Buckley, Jr., following in the footsteps of other venerable conservatives from Edmund Burke to James Madison, has said that the defining element of conservatism is realism—realism about national sovereignty, human nature, and an international system of competing nation-states. That realism does not have to manifest itself in the guise of an amoral accountant tirelessly calculating quantifiable national interests and constructing cost-benefit tables for American engagement. But conservative realism demands some recognition of the need to engage selectively in efforts that further American values and interests around the globe. Otherwise, one succumbs to a utopian temptation that has bedeviled nonconservatives since the French Revolution.

WILL DOLE STAND UP AND SALUTE?

Kristol and Kagan's vision is billed as a foreign policy for candidate Bob Dole. Apparently somebody forgot to consult with Dole and his foreign policy team. While Senate majority leader, Dole supported a modest $11 billion increase in defense spending over Clinton's request for the 1997 fiscal year. Candidate Dole may or may not wish to spend more, but President Dole will not spend $60 billion to $80 billion more a year on defense. Neither will House Speaker Newt Gingrich or even the most conservative member of the House.

Which raises a question: Who is out of touch here, conservatives in Congress who will not vote for huge defense spending increases, or Kristol and Kagan? The authors of "a foreign policy for candidate Dole" would like to move the debate toward accepting the need for more defense spending. That is indeed a laudable goal. Unfortunately, their essay may have the opposite effect. It will be easy prey for opponents of a strong national defense, who will now dismiss legitimate calls for more defense spending as part of some new hawkish conservative strategy, when in fact more defense funds are needed just to maintain the United States' current strategy. *The New York Times* has already begun to use this tactic, calling Kristol and Kagan's defense plans "dangerously aggressive." Demands

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by conservatives for $20 billion or $30 billion more merely to fund the Clinton force could be lost in a howl of complaints about how conservatives want to create a vast global empire not for the good Kristol and Kagan intend but to advance some nefarious imperialistic design. Far from clarifying the debate, Kristol and Kagan will have only muddied the waters.

WHERE'S THE DEBATE?

The two are right in their belief that America must lead or be led by others. And they are correct that the United States must maintain a "benevolent hegemony" of sorts in the world. But it must adopt a strategy of selective engagement that establishes priorities among American interests and clearly adapts means to ends. There is simply no other way to protect American security and values in this age of chaos. Where Kristol and Kagan ultimately fail is in believing that the moral demands of mobilizing public opinion force America to abandon the hard work of selecting and discriminating in foreign policy. This they dismiss as the tawdry labor of beleaguered realists. That is not only false, it is an extremely unwise strategy for conservatives to pursue.

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Letters to the Editor

Ole R. Holsti, Pamela S. Falk, David A. Harris, Michael O'Hanlon, Wayne S. Smith, and others

CHEAP TALK

To the Editor:

William Kristol and Robert Kagan overlook a few inconvenient facts about foreign and defense policy during the Reagan years, most important among them a combination of increased defense spending and tax cuts that quadrupled the national debt ("Toward a Neo-Reaganite Foreign Policy," July/August 1996). Republican rhetoric blaming the deficits on Congress notwithstanding, more than 90 percent of the cumulative Reagan deficits were built into the administration's budget requests.

It is surely not true that "no serious analyst of American military capabilities today doubts that the defense budget has been cut much too far." How are we to pay for the additional $60 billion to $80 billion per year for the Pentagon that Kristol and Kagan recommend? For conservative Republicans, balancing budgets and cutting taxes constitute virtually unquestioned dogma. As income distribution in the United States moves steadily toward that of many developing world countries, can more be squeezed from middle and lower income groups? Is there a possibility that a President Dole would accept massive cuts in farm programs or corporate subsidies to pay for increased defense spending?

OLE R. HOLSTI
George V. Allen Professor, Department of Political Science, Duke University

To the Editor:

Kristol and Kagan are right that the Congressional Budget Office and the General Accounting Office have identified shortfalls in the Clinton defense plan averaging $10 billion to $20 billion a year, but they ignore the ongoing process of base closures and additional force cuts, which will ultimately save $10 billion dollars per year in Pentagon spending. Simple arithmetic thus suggests that the defense shortfall is only half as great as Kristol and Kagan claim.

There are other ways in which the world's overwhelming military power, whose real defense spending remains about 90 percent of the Cold War average, could save money. For example, the United States could cancel more of the big-ticket items now in the Pentagon's pipeline and buy modified versions of existing platforms instead. It should also hedge against the (highly implausible) scenario of overlapping all-out wars in Korea and the Persian Gulf in ways less expensive than preparing to essentially refight Desert Storm in both places

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simultaneously. For example, while chairman of the House Armed Services Committee in 1992, Les Aspin suggested that the United States' future commitment to South Korea's defense be based largely on airpower, complemented by a smaller ground force. In addition, the United States should take advantage of changing geopolitical realities to alter its basic approach to a Navy and Marine Corps forward presence. It might be time to ask the Navy to leave ships on forward station for a couple of years at a time, rotating crews by airlift so as to reduce the total necessary fleet size. The United States should also consider ending the permanent presence in the Mediterranean Sea, given the absence of a Soviet threat to Turkey, great improvements in Israel's conventional security position, and the ability of its European allies to maintain a permanent naval presence there themselves. In these and other ways, defense spending could be kept at or even slightly below its current level without surrendering a strong U.S. international security role.

MICHAEL O'HANLON

Research Associate, Foreign Policy Studies Program, The Brookings Institution

To the Editor:

In their otherwise thought-provoking article, Kristol and Kagan make one important misstatement. Reviewing recent examples of America's international leadership, they write, "Through the United Nations, [the United States] maintained sanctions on rogue states such as Libya, Iran, and Iraq." Alas, Iran is not the target of any U.N. sanctions, either current or contemplated. The consensus is not there. True, the Europeans and Japanese have grudgingly modified some aspects of their political and economic flirtation with Tehran. But the gap between Washington and its allies remains much too wide to achieve the kind of multilateral pressure so necessary if the world is to have a chance of limiting Iran's roguish behavior and support of terrorism.

DAVID A. HARRIS

Executive Director, The American Jewish Committee

IT DOES TAKE A HERO

To the Editor:

Edward N. Luttwak states that the prospect of high casualties is a key political constraint on the use of force during a crisis ("A Post-Heroic Military Policy," July/August 1996). How is it that America endures tens of thousands of casualties each year from handguns and drunk driving, yet swoons at the thought of a soldier killed in the line of duty? Americans are willing to accept casualties, as long as the interests and principles involved justify them. Before Operation Desert Storm, some analysts projected 25,000 coalition casualties. Yet 80 percent of Americans supported participation on the eve of that campaign. The American people became opposed to operations in Somalia not because they were surprised at the casualties that occurred but because the military mission crept from humanitarian assistance to nation-building to apprehending Mohamed Farah Aideed.

Luttwak's argument can be summed up to mean that "since soldiers can be killed, send missiles (or aircraft) instead." The fundamental flaw therein is that a missile will not be an effective replacement for a soldier, with all the missions

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that soldier might perform; ground forces were required to drive the Iraqi army out of Kuwait, for example, and to bring the Serbs to the negotiating table.

The key to breaking out of the Cold War mindset is not to seek antiseptic war from afar through high-technology weaponry but to reaffirm the timeless predominance of soldier quality and will in combat. Weapons do not make the soldier, and high-technology equipment cannot compensate for poor morale or inept tactics. The United States must maintain the heroic quality of its military, even though this includes suffering casualties when the military is placed in harm's way.

PATRICK C. NEARY

Senior Analyst, Office of the Deputy Chief of Staff for Intelligence, Army Staff. The views expressed do not necessarily reflect those of the Department of the Army.

REVOLUTIONARY CONCERNS

To the Editor:

The military-technological revolution that Joseph S. Nye, Jr., and William A. Owens ("America's Information Edge," March/April 1996) herald could create an irrelevant American military that has priced itself out of world conflicts and produced an information warrior whose talents will be suited to the conflicts least likely to happen. Their revolution envisages a battlefield in which all systems are digitally linked, information is near-perfect, and weapons are brilliant, long-range, and unmanned. This battlefield is anesthetized, sanitized, and largely free of human trauma and the fog of war. Indeed, the hope is that when America refights the Persian Gulf War with this force, it will fight it that much better.

What about the great majority of conflicts around the world today, the wars the revolution in military affairs forgot? What about the ones in which a satellite cannot determine whether a covered truck is filled with workers on their way to the fields or partisans on their way to the indistinguishable "front lines"? What high-tech systems will address those conflicts in which the mission rests on the ability to apply military power in the back streets of Mogadishu, as opposed to the isolated deserts of Iraq (conveniently populated only by the Iraqi army)? Can the revolution deal with these conflicts, or are we once again asking former Air Force Chief of Staff Curtis LeMay for a B-52 solution to the Vietnam War?

Perhaps most important, what sort of soldier will thrive in the wars of information dominance? The Nye-Owens model does not require warriors, it requires managers who can best process and utilize information. In contrast with the military culture of Patton and Rommel, which valued initiative, instinct, risk-taking, and human solutions in an environment of imperfect information, the culture of information warfare will emphasize deliberate planning, centralized command and control, decisions made only with perfect information, and technological solutions for risk-averse information managers. Will those who thrive in this culture be prepared to fight wars in a "degrade mode," when systems have failed, information is imperfect, and America's opponents play to the weaknesses of a technological giant impatient for "results" and intolerant of casualties?

The military-technological revolution must be guided by a coherent

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national strategy that matches America's goals and the threats of the strategic environment to the type of force the Pentagon builds. Furthermore, the martial ethos of the U.S. military will have to be managed with at least as much care as that given to the hardware; as Napoleon noted, one constant in the evolution of warfare is that "the moral is to the physical as ten is to one." Otherwise, technology may well end up driving strategy, rather than the other way around.

JOHN HILLEN

Defense Policy Analyst, The Heritage Foundation

BAILOUT BICKERING

To the Editor:

Bradford De Long, Christopher De Long, and Sherman Robinson provide a glowing account of the Clinton administration's Mexican rescue program ("The Case for Mexico's Rescue," May/June 1996). They claim the rescue package "is a sound policy with far-reaching effects for Mexico." Unfortunately, the far-reaching effect will turn out to be more and possibly larger financial crises.

This is not the first time the United States has come to the rescue of the Mexican government. The U.S. Treasury and the Federal Reserve, with help from the International Monetary Fund, have provided loans or loan guarantees totaling billions of dollars during financial crises following the last four Mexican presidential elections. Each such crisis has been the direct result of politically motivated economic mismanagement before the election.

The repeated bailouts by the United States change the incentives of Mexican politicians. U.S. policy becomes an implicit guarantee of Mexican debt. As a result, Mexican officials can follow riskier policies that ultimately cause severe economic problems. The United States must send strong signals that it will no longer bail out Mexico—or any emerging economy—whose problems are a result of political economic mismanagement.

ROBERT KROL

Professor of Economics, California State University, Northridge, and Affiliated Scholar, Milken Institute for Job and Capital Formation

To the Editor:

Jorge G. Castañeda's conclusion that U.S. "bailouts" postpone political reform and humiliate Mexico is misguided ("Mexico's Circle of Misery," July/August 1996). The rescue package that the United States and international institutions provided Mexico with is not a bailout. The plan made available a credit line of up to $20 billion in a series of loans (half of which came from the U.S. Treasury) that had to be paid back in three and a half years at an interest rate of ten percent. Mexico pledged its state-owned petroleum as collateral by rerouting revenue from Pemex through the Federal Reserve Bank of New York, where the money could be seized if Mexico were to default on the loans. In the end, Mexico drew on $12.5 billion of the funds. The U.S. Treasury has made ten percent interest on short-term loans—high enough that Mexico is swapping the loans as fast as it can.

The rescue package enabled Mexico to continue its moves toward political reform, drug trafficking cooperation, and migration prevention, which were put on hold during the economic crisis. Mexico

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has a long way to go, but reform is assisted, not postponed, by growth.

PAMELA S. FALK
Senior Fellow, Caribbean Cultural Center

INSIDE INCOMPLETE ARCHIVES

To the Editor:

Melvyn P. Leffler devotes much space to revisionist interpretations of the Cold War ("Inside Enemy Archives," July/August 1996). As a practitioner of diplomacy, I know that archives omit important facts. This happens with every government: witness the silence regarding major CIA operations in studies of American foreign relations. Potentially embarrassing Soviet archives must have been subjected to careful pruning by nervous or departing officials. It also would be unsurprising if some former Soviet academics, untrained in dispassionate research, have been reluctant to show the vulnerable side of Soviet actions. As Henry Kissinger once said, "What is written in diplomatic documents never bears much relation to reality."

The essay states that "historians have not located concrete plans for turning . . . East European states into command economies or communist dictatorships." Do we really need a blueprint to prove that the conquering Soviet Union saw its own model as the only permissible one?

ROY M. MELBOURNE
Minister Counselor, Senior Foreign Service, Retired

OUR COUNTRY, RIGHT OR WRONG

To the Editor:

In Susan Kaufman Purcell's response to my article ("Cuba's Long Reform," March/April 1996), she points out that in Franco's Spain, nongovernmental groups benefited from foreign trade and helped open up the political system ("The Cuban Illusion," May/June 1996). Nothing like that, she suggests, is happening in Cuba. On the contrary, Cuba will soon have over one million people in the work force who are, for all practical purposes, private entrepreneurs. Inevitably, that number will grow. The starting point is different, but the equation will be the same in Cuba as in Spain.

Purcell takes me to task for urging the end of the embargo. But I urge no such thing. I consider the embargo obsolete and counterproductive, but it probably isn't politically feasible simply to lift it. Therefore, I urge a policy of gradual engagement as the best way of encouraging further reforms in Cuba. Use the possibility of increased access to U.S. markets and products as an incentive. It has worked elsewhere. Why not in Cuba?

I am puzzled by Purcell's belief that keeping the embargo in place will do more to force Castro to reform than lifting it. Of course, we really need not argue about whether the embargo works. It is a permanent fixture, even if it doesn't work.

WAYNE S. SMITH
Senior Fellow, Center for International Policy

To the Editor:

Contrary to Pamela S. Falk's statements ("Eyes on Cuba," March/April 1996), neither I nor the U.S.-Cuba Business Council membership as a whole subscribe to the view that Fidel Castro's departure from power "is not required" to renew U.S.-Cuba trade ties. Moreover, the "lobbying" stampede by American firms to end the embargo against Cuba is a figment of Falk's imagination. The

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entire U.S.-Cuba Business Council membership has pledged to support the current American policy on Cuba, which unambiguously prohibits American commercial ties with Cuba.

U.S. firms, with very few exceptions, understand that they cannot ignore the Castro regime's abuse of property, contracts, and human rights, including the use of forced labor in violation of International Labor Organization conventions, without courting disaster. The media's tales of free-market reforms and lost opportunities in Castro's Cuba mislead the business community and the public about the political and economic risks on the island today.

THOMAS E. COX

Executive Director, U.S.-Cuba Business Council

THE DREAM LIVES

To the Editor:

In his review of *Talons of the Eagle*, Kenneth Maxwell describes my concluding remark that Latin American nations might benefit from revitalization of the "Bolívarian dream" of Latin American unification as an "oddly old-fashioned" recipe that seems destined to lead to a "dead end" (July/August 1996).

Since its initial formulation in the 1820s, the Bolívarian dream has come to stand for the general idea of collective action by Latin American nations. My suggestion was not intended as an exercise in misty-eyed nostalgia; it was made in reference to current and continuing negotiations on the expansion of free trade. My contention is that regional solidarity (in one form or another) might help avoid the segmentation of Latin America into ins and outs, haves and have-nots that could result from the partial expansion of NAFTA into a small and exclusive circle of privileged countries.

PETER H. SMITH

Simón Bolívar Professor of Latin American Studies, University of California, San Diego

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